

## Woman sues billionaire investor, says they had sex when she was 16

The Associated Press

NEW YORK — A billionaire investor, already facing jail in Palm Beach County on charges of soliciting underage prostitutes, is being sued by a young woman who says he had sex with her when she was 16 and had sought his help becoming a model.

The lawsuit, filed late Tuesday in Manhattan's state Supreme Court, says financier Jeffrey Epstein had the teen perform a sex act when she brought photographs of herself for him to review in his Upper East Side mansion sometime in 2000.



Epstein

Epstein, 54, a money manager, told the teen he managed finances for Victoria's Secret and "could get you into the catalog" if she were "nice" to him, court papers say. The papers say being "nice" included massages and other favors.

When the girl told Epstein, "I am 16 years old and just want to model," he replied, "Don't worry, I won't tell anybody," court papers say.

Epstein, said by London's

*Mail on Sunday* to be a close friend of England's Prince Andrew, has been indicted in Palm Beach on charges of soliciting underage prostitutes. That case is pending.

The girl visited Epstein "several times over the several months and engaged in bizarre and unnatural sex acts" while she was a minor, the lawsuit says.

Epstein "repeatedly requested that (the girl) return with her 14-, 15-, and 16-year-old girlfriends, stating, 'Come by with your friends your age next time. Don't bring [redacted] (a mutual friend in her 40s). I love girls your age.'"

The young woman, now 23, kept returning to Epstein because she has "mental issues," said her lawyer, William J. Unroch. He refused to elaborate, but court papers say she was "disabled as a result of severe mental disease and defect."

Epstein's lawyer in New York, Gerald Lefcourt, said, "The girl has admitted she is insane, but she can read a newspaper and recognize the word 'rich.'"

Lefcourt also said the statute of limitations has expired for the woman's case criminally and civilly, and will almost certainly be

dismissed.

He refused to comment on Epstein's Florida charges.

Meanwhile, Unroch, 57, also acknowledged that his client was living with him and was at the center of a \$10 million lawsuit he filed last year against a neighbor who said he was having sex with underage girls. That case is pending.

"What she was doing at 22 is irrelevant to what happened to her when she was 16," Unroch said Wednesday. He went on to say he hoped Epstein would agree to "do right" by his client and resolve the case out of court.

## New York Magazine News & Features

11/ 2/07

In Other News

11:00 am

### 'Post' Grabs a Towel in Preparation for Epstein Trial



Jeffrey Epstein, the billionaire and friend of Clinton who was charged last year with paying teenage girls to massage him while he jerked off into a towel at his pink Palm Beach mansion, has decided not to plead guilty, the *Post* reports today; he'll take his chances with a jury. Reporting this must have been bittersweet for the *Post*, because they've been insisting for months that Epstein had taken or was *literally on the verge of any minute* taking a plea deal. But then we expect they are waiting with baited breath for all the lurid details of the trial to come out. As are we! In fact, with the expectation that all the stories we've heard in the months since the allegations first came to light are going to be rehashed in the trial, which the *Post* says is scheduled for January, we're going to repeat one of our favorite bits from the recent lawsuit filed by lawyer extraordinaire William Unroch on behalf of his ex-lover, transgender kinda-mode [REDACTED]

[Epstein] suddenly went into the bathroom and came out several minutes later wearing red lipstick and wearing a matted red wig. He said to plaintiff "Call me Janice."

That is all. Good day!

'Perv' Nixes Deal [NYP]

Earlier: Intel's coverage of Jeffrey Epstein

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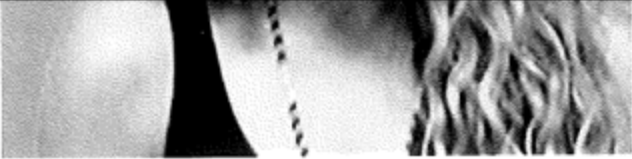
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# Girl drops lawsuit against Palm Beach man

By LARRY KELLER  
Palm Beach Post Staff Writer

A girl who says that wealthy money manager and part-time Palm Beach resident Jeffrey Epstein engaged in sexual activity with her when she was 14, has dropped her lawsuit against him because her divorced parents are squabbling over the litigation.

"It has to do with the fact that the parents aren't on the same page right now," said Jeffrey Herman, the attorney for the girl, identified in court papers only as Jane Doe. "It's like a sideshow."

The girl turns 18 in May and can sue again at that time without her parents' involvement, Herman said.

Herman sued Epstein last month on behalf of the girl, her father and her stepmother. Her birth mother, who lives near Atlanta, then asked to intervene on her daughter's behalf and asked that



**Epstein**  
Accused of sexually assaulting then-14-year-old girl.

Doe No. 2 who, like Jane Doe, claims Epstein summoned her to his home for a massage when she was a minor and sexually touched her.

Epstein, 55, induced several underage girls to give him sexual massages

the litigation be halted until her daughter turns 18.

The mother complained that Jane Doe's father did not consult with her or their daughter before suing Epstein for \$50 million. The lawsuit alleges sexual assault, intentional infliction of emotional distress and loss of parental consortium. Herman also represents a Jane

at his Intracoastal home, a Palm Beach Police Department investigation concluded. He was indicted in July 2006 on a single count of felony solicitation of prostitution. The case is pending.

Jane Doe's parents separated two months after she was born at Good Samaritan Medical Center, according to court records. The couple's subsequent divorce has been contentious. Each has had primary custody of the girl at various times.

The father pleaded guilty to federal fraud charges in 2001 and was sentenced to 21 months in federal prison, plus three years' probation. The U.S. attorney overseeing his prosecution was Guy Lewis. Now in private practice, Lewis was hired by Epstein to defend him against the father's lawsuit filed on behalf of Jane Doe.

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[sun-sentinel.com/news/local/southflorida/sfl-flbverdict0320pnmar20,0,5695099.story](http://sun-sentinel.com/news/local/southflorida/sfl-flbverdict0320pnmar20,0,5695099.story)

## South Florida Sun-Sentinel.com

### Man guilty in underage escort case

West Palm resident faces mandatory sentence of at least 10 years in prison

BY VANESSA BLUM

South Florida Sun-Sentinel

March 20, 2008

Rejecting defense claims of entrapment, a federal jury convicted a West Palm Beach man on Wednesday for arranging to have sex with a teen prostitute in Costa Rica through a bogus travel agency secretly run by the FBI.

Jorge Muentes, 48, cried as federal marshals led him from his family after the guilty verdict was read in the Fort Lauderdale courtroom of U.S. District Judge James Cohn.

"I love you, baby," his wife of 17 years called after him. "I love you."

Muentes, who worked as a butler, contacted the FBI's fake agency, Latin American Pleasure Tours, in September after seeing an ad in an adult magazine. In conversations with an undercover detective posing as the agency's owner, Muentes requested a 14- to 16-year-old prostitute. He was arrested at Miami International Airport Nov. 15 as he attempted to board a flight to San Jose.

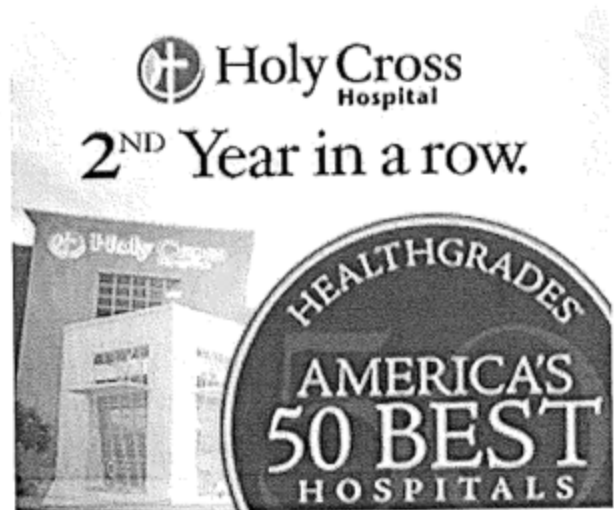
David O. Markus, the attorney representing Muentes, said he would appeal the verdict. Markus had argued his client was entrapped by the detective who Markus said called Muentes repeatedly and steered him toward an underage prostitute.

But prosecutors insisted Muentes made the choice to request a teenager without encouragement and took concrete steps toward acting on his desires by paying for the trip and attempting to travel.

After a two-day trial and one day of deliberations, the jury of seven men and five women found Muentes guilty of two counts for soliciting the services of an underage prostitute and for attempting to travel overseas for sex with a minor.

Muentes, who has no criminal record or history of child abuse, faces a mandatory sentence of at least 10 years.

A nearly identical case against a New York Vietnam War veteran is set for trial Monday before U.S. District Judge Jose Gonzalez in Fort Lauderdale.



The two cases are part of a government crackdown on so-called sex tourists who travel overseas to molest children. The initiative has led to more than 70 arrests since 2003, including those of 15 people snared in the sting operation.

The Web site for Latin American Pleasure Tours offers to fulfill travelers' desires with "clean, fun-loving companions of varying ages." All calls to the agency were directed to the Miami FBI headquarters and answered by Richard Love, a retired Fort Lauderdale police detective who posed as the agency's owner.

Love testified at trial that Muentes needed no prodding to request a "very young" escort. In their first conversation, Love offered Muentes two types of escorts — for sightseeing or sex. After Muentes indicated his interest in a prostitute, Love asked him to choose from a range of 14 to 27 years old. "Let's go young ... very young," Muentes said.

Love suggested a 14- to 16-year-old and Muentes agreed. When Muentes asked about the legality of sex with a minor, Love said it was all illegal. According to testimony at trial, adult prostitution is legal in Costa Rica, but transactions cannot involve a third party, such as an agency or pimp.

Markus said Muentes changed his mind and requested a 21- to 24-year-old escort, but was never given a chance to back out.

Sentencing is set for May 29.

Vanessa Blum can be reached at [vbblum@sun-sentinel.com](mailto:vbblum@sun-sentinel.com) or 954-356-4605.

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## COURTS

**WEST PALM BEACH —** Part-time Palm Beach resident Jeffrey Epstein has been sued in federal court by two more women this week who say he had sexual contact with them when they gave him massages at his waterfront mansion when they were minors. They are the fourth and fifth women to sue Epstein. Both women are seeking more than \$50 million. Jane Doe No. 4 says she was 15 years old when she had several encounters with Epstein in 2002 or 2003. Jane Doe No. 5 says she was 15 or 16 years old when she was with him. Epstein was indicted by a county grand jury in July 2006 on a single felony count of solicitation of prostitution. That case is still active.

# Girl sues Epstein, two others she says conspired in massages

*'Jane Doe,' 17, sues in state court after dropping a federal suit.*

By LARRY KELLER  
Palm Beach Post Staff Writer

WEST PALM BEACH — A former Palm Beach Community College student who police say procured underage girls to give Jeffrey Epstein sexual massages at his Palm Beach mansion, and Epstein's personal assistant have been sued along with Epstein over their alleged conduct.

The girl behind the lawsuit was 14 years old when she contends he engaged in sexual conduct with her after she went to his waterfront home in 2005 to give him a massage. Her lawsuit, filed under the name Jane Doe, seeks unspecified damages from Epstein for sexual assault and intentional infliction of emotional distress.

She also sued Epstein, [REDACTED] of Loxahatchee and [REDACTED] New York City on grounds of conspiracy and civil racketeering.

"We just want a full measure of justice for this girl," said her attorney, Ted Leopold.

[REDACTED] who attended Palm Beach Community College, was paid by Epstein to bring girls to his mansion for massages and more, according to Palm Beach police. "I'm like a Heidi Fleiss," they said she told them. Her attorney could not be reached immediately for comment.

[REDACTED] was an Epstein personal assistant who arranged the encounters, even escorting the girls to his massage room, police alleged.



Epstein

"These two conspired with him to help with the criminal enterprise," Leopold said.

Jane Doe, through her father and stepmother, filed a federal lawsuit against Epstein in January. She dismissed it after her mother said she wasn't consulted about the litigation and sought to intervene. The

mother is acting on her daughter's behalf in the latest lawsuit.

Epstein's lawyer has denied the girl's allegations and said her family is simply attempting to get money from a very rich man. Epstein, 55, is a Manhattan money manager who has homes there, in New Mexico and the Virgin Islands, in addition to his \$8.5 million Palm Beach mansion.

Two other Jane Does have sued Epstein in federal court this year, making similar allegations to those of the first Jane Doe. Those cases remain active.

Also pending against Epstein in state court is a felony charge of solicitation of prostitution arising from the same alleged incidents with several girls. That case is set for trial in July, two years after he was indicted.

Jane Doe's new lawsuit, filed in Palm Beach County Circuit Court, is the most explicit in detailing Epstein's alleged misconduct. It is the only suit to include [REDACTED] and [REDACTED] as defendants, and the only one to make conspiracy and racketeering allegations.

Jane Doe will turn 18 in May. She lives with other family members in Palm Beach County, is nearing graduation from high school and is working part time, Leopold said.

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## A DEADLINE FOR EPSTEIN



Epstein

The day of reckoning for Palm Beach billionaire financier and alleged sex offender **Jeffrey Epstein** is coming.

Really!

State Attorney **Barry Krischer** has put his foot down after nearly two years of wrangling with Epstein's team of high-priced attorneys.

By July 8, Krischer's spokesman said, there will either be a trial or a plea agreement.

The reclusive 55-year-old Wall Street prodigy allegedly had a college student steer underage suburban girls to his beachfront mansion for sex and weird massages in 2005.

"It's simply time," said Krischer's spokesman, **Mike Edmondson**.

In November Epstein's local attorney, **Jack Goldberger**, told *Page Two* the case would be resolved with a guilty plea by late January. But things have been stalled as Epstein uses a dream team of lawyers that also includes Harvard professor **Alan Dershowitz** and former Whitewater prosecutor **Ken Starr**.

Now, a trial has been set for July, just in case.

"Things have been delayed," Goldberger said.

The problem? Sources close to the case say Epstein doesn't mind so much the 18 months in jail if he pleads guilty, but he can't stand the thought of being branded a Florida sex offender for life.

"He's been treated more harshly because he's a wealthy man," Goldberger said. "He's

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## Lawsuit: Epstein assistants helped procure underage girl for sex

By LARRY KELLER

Palm Beach Post Staff Writer

Monday, March 17, 2008

WEST PALM BEACH — A former Palm Beach Community College student who allegedly procured underage girls to give Jeffrey Epstein sexual massages at his Palm Beach mansion, and Epstein's personal assistant have been sued along with Epstein over their conduct.

The girl, identified only as Jane Doe, was 14 years old when she contends he engaged in sexual conduct with her after she went to his waterfront home in 2005 to give him a massage. Her lawsuit seeks unspecified damages for sexual assault and intentional infliction of emotional distress against Epstein.

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## Above the Law: Billionaires in the Bedroom

**Mogul Reportedly Built \$30 Million Sex Grotto to Indulge His Desires**

By **MARCUS BARAM**

July 20, 2007 —

When it comes to sexual deviancy, the rich really are different from the rest of us.

Instead of hiring cheap hookers for an hour in a motel, they fly in high-end prostitutes for the weekend to frolic in their underground grotto. Rather than buying sex toys to liven things up, they'll build a sex vault complete with bondage and S&M gear.

The latest in a long line of lurid Lotharios is said to be computer chip mogul Henry T. Nicholas III, who allegedly built a \$30 million underground grotto, complete with hidden doors and secret levers, at his equestrian estate in Laguna Hills, Calif. According to court documents unearthed by the Los Angeles Times, Nicholas is said to have planned a "secret and convenient lair" where he could indulge his "manic obsession with prostitutes" and "addiction to cocaine and Ecstasy."

The 47-year-old billionaire, who co-founded Broadcom Corp in 1991, had his private jet ferry prostitutes from New Orleans, Chicago and Las Vegas to his lair, nicknamed the Pond, where he provided his rock-star guests with drugs, including mushrooms and nitrous oxide, according to the draft complaint.

In addition, the complaint dug up by the Times alleges that Nicholas used the lair as his "personal brothel" until his wife caught him in the act with a prostitute, according to the paper. His wife, Stacy Nicholas, has since filed for divorce.

Nicholas' attorney Steven A. Silverstein told the Times that "all of the allegations are denied." In 2000, Nicholas told the paper that the underground facility was a "pump house" to handle runoff from his horse trails.

The allegations seem to echo other well-publicized cases. Publishing heir Richard Quadracci reportedly ran a gay sex club, complete with a 1,000-square-foot playroom equipped with a cross, bondage boards, harness power hoists and other X-rated paraphernalia, out of his penthouse apartment in Manhattan.

Quadracci claims that he only ran a Web site describing a bondage-themed bed and breakfast that he planned to open one day. Eventually, his condominium board sued him and the case was settled in early 2005.

Other notorious cases include Jeffrey Epstein, the billionaire financier who was charged with felony solicitation of a prostitute for hiring underage girls to give him massages at his Palm Beach mansion. In that case, some of Epstein's lawyers including famed barrister Alan Dershowitz, reportedly embarrassed the girls by unearthing their MySpace pages on which they recounted their drug use.

The Palm Beach Police requested an investigation by the FBI after the state's attorney reduced the charges in that case. Currently, prosecutors are expecting the case to go to trial and a case disposition hearing is scheduled for Nov. 16.

The types of sex and erotic indulgences may vary in each case but they're all made possible by having money.

"The rich aren't more prone to extreme sex but they are more likely to have the resources to spend on it," said Manhattan-based therapist Ian Kerner. "There are the \$2 toothless hookers and the \$20,000 call girl virgins but there's still work for all of them."

Kerner believes that extreme sexual appetites have less to do with money than with core desires and instincts shaped by genetics and your upbringing. But being wealthy and powerful allows you to indulge those cravings -- sometimes with unexpected results.

"I've had cases working with Wall Street bankers who always have to be about testosterone and they never get to explore their feminine side or their vulnerable side and these guys often go to dominatrixes and explore being whipped and spanked," said Kerner.

They also may feel that their wealth is undeserved and that they need to be humiliated. "The investment banker who's mastered the universe just wants to chill out and be dominated."

Wealthy men and women who are in the public eye may already feel above the law but they seek the thrill of putting themselves in high-risk situations. "These are people who feel they can do what they want all the time," said Gini Graham Scott, the author of "Homicide by the Rich and Famous."

"The money lets them indulge every whim and eccentricity and they have the freedom to experiment," she explained. "But once they achieve a certain thrill, they need to expand that. After a while, it gets boring and they keep pushing the envelope on extreme behavior."

That certainly seemed to be the case with Fiat heir Lapo Elkann, who was hospitalized in 2005 after overdosing at the apartment of a 53-year-old transvestite named Patrizia. After a stint in rehab in Arizona, Elkann moved to Manhattan, launched a new line of sunglasses and started indulging new passions: speeding in his family's racecars. Bravo!

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Describe your relationship with Mr. Epstein.

How long have you known Mr. Epstein? How did you meet?

What was your role at the New York Academy of the Arts?

What was Epstein's involvement with the NYAA?

Did Epstein express any interest in one particular style of artwork or interest in a specific artist attending NYAA?

Did any NYAA students work for Mr. Epstein or yourself?

Were there ever any complaints filed against Mr. Epstein by young female students while he was active with the NYAA?

Did Mr. Epstein ever show any noticeable attention or exhibit any questionable or inappropriate behavior towards young females while he was involved with the NYAA? (Believed to have brought a young female as his date to a formal function sponsored by NYAA)

Did Mr. Epstein leave the NYAA on good terms?

Did any of the students paint portraits of any of your family members during this time period? (██████████) painted portraits of (██████████) When? Where?

What did the art depict?

When was your last contact with Mr. Epstein? What was it in reference too?

# NEW YORK POST

## BLAME GAME



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June 21, 2007 -- DID legal eagle **Alan Dershowitz** and alleged pervy billionaire **Jeffrey Epstein** use their clout to get a speech canceled at Harvard? That's the belief of Rutgers University biologist **Robert Trivers**, whose talk at Harvard's Program for Evolutionary Dynamics (PED) was axed after he called Dershowitz a "Nazi-like apologist" for his "rationalization of Israeli attacks on Lebanese civilians." Trivers told the Harvard Crimson a PED official said he was "sworn to secrecy" about who pulled the plug. But Trivers blames Dershowitz, who sits as a faculty affiliate on PED, or Epstein, who donated \$6.5 million to create PED and has retained Dershowitz as a defense lawyer against his 2006 indictment for soliciting underage prostitutes. Epstein's lawyer, **Gerald Lefcourt**, had no comment. Dershowitz told us Trivers "has a reputation as a barroom brawler and has threatened to beat me up" - but he insisted he had nothing to do with the cancellation.

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## More Bad News for Jeff Epstein?

July 11, 2007, 12:26 pm

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Investment Banking



It was just about a year ago that Jeffrey Epstein, the reclusive financier, was being charged with soliciting prostitutes in Palm Beach, Fla. He may now have another image problem on his hands.

BusinessWeek reports that Mr. Epstein's Virgin Islands-based money-management firm, **Financial Trust Company**, is listed in a filing with the Securities and Exchange Commission as a stakeholder in **Bear Stearns's** High-Grade Structured Credit Strategies Enhanced Leverage Fund, which became much easier to refer to in recent weeks as "Bear Stearns' collapsing hedge fund."

It is a tantalizing nugget of information about someone who rarely discloses anything about his business or his billionaire clients. Despite his penchant for privacy, Mr. Epstein runs in prominent circles: he once flew former President Bill Clinton on his 727.

Regulatory filings show that Mr. Epstein's firm had voting power over 10 percent of the equity in the Bear Stearns fund, which, aided by loans from some of Wall Street's biggest banks, bet heavily on the securities linked to the market for subprime mortgages, or those to homeowners with weak credit histories.

As the subprime mortgage market has been rocked by a rise in defaults, many of those bets have gone bad. As of the end of April, the Bear fund was down 23 percent for the year.

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Mr. Epstein did not respond to BusinessWeek's calls, and his lawyer had no comment.

Of course, Mr. Epstein is not alone in his exposure to the fund. A fund-of-funds managed by Paris-based **BNP Paribas** is listed in the S.E.C filing as well. That fund was also heavily invested in **Wood River Partners**, a \$127 million fund that imploded in 2005.

Bear Stearns says it will reveal the details of the fund's losses next week.

Another Bear Stearns fund that got into trouble recently (with the same ridiculously long name as the other fund, except without the words "enhanced leverage") is being propped up by loans from the firm. It was down about 10 percent as of April. The younger, "enhanced" fund is more heavily leveraged, and Bear Stearns has said it won't provide any financing for it.

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TOP NEWS July 11, 2007, 12:01AM EST

## Bear Stearns' Collateral Damage

Money manager Jeffrey Epstein, BNP Paribas, and other investors are mired in Bear's troubled hedge fund that bet big on subprime mortgages

by Matthew Goldstein

The implosion of a hedge fund often sheds some unwanted attention on the wealthy investors who chose to sink money into the venture. That's certainly the case with an 11-month-old Bear Stearns hedge fund that bet heavily on risky bonds backed by subprime mortgages and is teetering on the verge of collapse (see BusinessWeek.com, 7/9/07, "[Mutually Assured Mayhem](#)").

One of the bigger investors in the troubled Bear Stearns fund is Jeffrey Epstein, a former Bear Stearns trader turned money manager for the super-rich, according to regulatory filings. Over the past year, Epstein has garnered his fair share of notoriety and sensational headlines. Last July, prosecutors in Florida charged the onetime math teacher with soliciting sex from prostitutes at his Palm Beach (Fla.) mansion. Palm Beach police also alleged that the 53-year-old Epstein paid teenage girls to give him nude massages, but prosecutors did not charge him with that offense.

### "MONEY MAN OF MYSTERY"

The racy allegations involving Epstein—once labeled New York's most eligible bachelor by the *New York Post*—have been good fodder for the New York tabloids and gossipy Wall Street Web sites such as Dealbreaker.com. Now it appears Epstein may have another public relations headache on his hands over an ill-fated big bet on a hedge fund set up by Bear Stearns (BSC) last summer—right around the time he was getting into trouble with the law.

Epstein's Virgin Islands-based money-management firm, Financial Trust Company, is listed in the SEC filing as a "beneficial owner" of the Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage fund. A January filing with the Securities and Exchange Commission describes Epstein's firm as having "the power to vote or dispose of" 10% or more of the equity of the hedge fund, which raised \$642 million from investors last summer. But the hedge fund's purchasing power was much bigger, given its ability to borrow billions of dollars from banks such as Barclays (BCS), Goldman Sachs (GS), Deutsche Bank (DB), Citigroup (C), and Bank of America (BAC).

Epstein, who splits his time between Manhattan, Palm Beach, and St. Thomas, didn't return several phone calls. Gerald Lefcourt, one of the criminal defense lawyers helping Epstein fend off the solicitation charge, had no

comment. Epstein, once described by *New York* magazine as an "international money man of mystery," reportedly won't take on any clients who aren't billionaires. One of Epstein's longtime clients is Leslie Wexner, the billionaire founder and CEO of the Limited Brands (LTD) retail chain.

## BIG LOSERS

Even beyond his money-management business, Epstein has cut a high-profile figure. Over the years, he has befriended powerful politicians, celebrities, and academics, including former President Bill Clinton, Donald Trump, and law professor Alan Dershowitz.

Epstein isn't the only supposedly savvy money manager to the super-rich to throw money into the Bear Stearns funds. A so-called hedge fund-of-funds managed by Paris-based BNP Paribas (BNPQY) also is listed on an SEC filing as a beneficial owner of the same beleaguered Bear Stearns fund in which Epstein invested. A BNP spokeswoman declined to comment. A person familiar with BNP's Ozcar Multi-Strategy fund, which invests in a variety of different hedge funds, says the problems at Bear Stearns should have minimal impact on Ozcar's performance.

Still, this isn't the first time the BNP fund has made a disastrous bet on a hedge fund. The Ozcar fund, and other affiliated BNP funds, invested about \$49 million in Wood River Partners, a onetime \$127 million hedge fund that went bust in October, 2005, amid allegations of fraudulent trading. On May 30, John Whittier, the former manager of the hedge fund, pleaded guilty in federal court in Manhattan to charges of carrying out a scheme to defraud investors in the fund. The Ozcar fund, of which little is publicly known, is looking at having invested in two big losers in its brief four-year existence.

## TAINTED REPUTATION?

The hedge fund that Epstein and BNP invested in is barely holding on after using billions in borrowed money to buy risky bonds backed by ailing subprime mortgages. The fund was down 23% for the year as of the end of April. Bear Stearns says it will provide a full accounting for the funds' losses sometime next week. In June, Bear Stearns suspended investor redemptions. Some frustrated investors are offering to sell their shares in the beleaguered hedge fund for as little as 10 cents on the dollar in the secondary market. Other investors are contemplating litigation. The Securities and Exchange Commission, meanwhile, has launched a preliminary investigation into the events leading up to the collapse of the fund (see [BusinessWeek.com](http://BusinessWeek.com), 6/25/07, "[Bear's Big Loss Attracts SEC Attention](#)").

A sister fund also run by Bear Stearns is faring a bit better, but that's only because the big Wall Street firm has opted to prop up that entity with \$1.6 billion in loans (see [BusinessWeek.com](http://BusinessWeek.com), 6/22/07, "[Bear Stearns to the Rescue—Sort Of](#)"). The four-year-old Bear Stearns High-Grade Structured Credit Strategies Leverage fund was down about 10% as of the end of April. Bear Stearns has suspended investor redemptions in that fund, too. The Wall Street firm, however, has decided not to provide any financing to the younger fund, which was more heavily leveraged and indebted.

The near-collapse of the two Bear Stearns funds has sparked widespread concern on Wall Street because both hedge funds used billions in borrowed money to buy sophisticated securities called collateralized debt obligations. Popularly known as CDOs, these bond-like securities are hard-to-value investments that rarely trade. There is fear that the mass liquidation of the CDOs still held by the two hedge funds could cause a widespread devaluation in CDO prices. The trouble with the two hedge funds has already forced a management shakeup at Bear Stearns' asset management division and ultimately may end up sully its reputation.

# The Palm Beach Post

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## Spare us the outrage

An 11-month police investigation led to an indictment on one felony charge of solicitation of prostitution. That was in July 2006, and part-time Palm Beacher Jeffrey Epstein still has faced no repercussions for allegedly preying on underage girls.

So maybe Mr. Epstein is satisfied that he's getting his money's worth from his large legal team, which includes Harvard Law School Professor Alan Dershowitz (remember O.J. Simpson?) and Kenneth Starr (remember Monica Lewinsky?). Jack Goldberger of West Palm Beach, who's also on the team, told *Post* columnist Jose Lambiet in November: "This case is absolutely going to end without a trial within the next two months."

He was wrong, but Mr. Goldberger remains on Mr. Epstein's payroll, feigning moral outrage at two lawsuits filed this year against the Manhattan money manager. The lawsuits allege sexual exploitation of teenaged girls, one of them as young as 14. Said Mr. Goldberger after the first lawsuit, seeking more

*Lawyers for accused sex predator sound foolish.*

than \$50 million, was filed on Jan. 24: "We think this shows what this case is all about: money." Yes, it is — Mr. Epstein's effort to buy his way out of prosecution.

According to the lawyer of a 17-year-old whose parents are suing him, Mr. Epstein masturbated in front of her (she was 14 at the time) and used a vibrator on her at his home in February 2005. Another Epstein attorney, Lilly Ann Sanchez dismissed it: "Jeffrey Epstein did not have sex with this woman."

For those girls who claim that he did, Mr. Epstein's lawyers maintain that he did not know their ages, despite a police search of his home and garbage that found phone messages about the girls' school schedules and even a high school transcript. For all of his money, Mr. Epstein's best defense remains "I didn't know that I was a *criminal* pervert?"

## Girl in sex-abuse suit alleges harassment

*The defendant she accuses is a part-time Palm Beach resident.*

By LARRY KELLER  
Palm Beach Post Staff Writer

WEST PALM BEACH — A lawyer representing one of two girls who recently sued part-time Palm Beach resident Jeffrey Epstein in federal court, claiming sexual assault, has asked a judge to stop Epstein and his attorneys from "continuous and systematic harassment."

The girl, identified in court documents as "Jane Doe," 17, says a process server showed up at her place of employment on Feb. 1 to serve a subpoena for her deposition, originally scheduled for Feb. 6, even though her attorney had told Epstein's attorney twice that he would accept the sub-

poena on her behalf. Also, Jane Doe's attorney said he and Epstein's lawyer already had agreed to reschedule the deposition for another date.

The girl's mother, who lives near Atlanta, also was served. About the same time, another man came to Jane Doe's workplace and said he was a lawyer who needed to contact her, the motion filed by West Palm Beach lawyer Ted Leopold alleges.

"It can only be concluded that Epstein and/or his counsel are purposefully attempting to harass Jane Doe and her mother," Leopold said in his motion.

Epstein attorney Jack Goldberger filed a written response saying there was no harassment, only a simple, routine serving of a subpoena.

It's not the first time one of Jane Doe's parents has complained of harassment

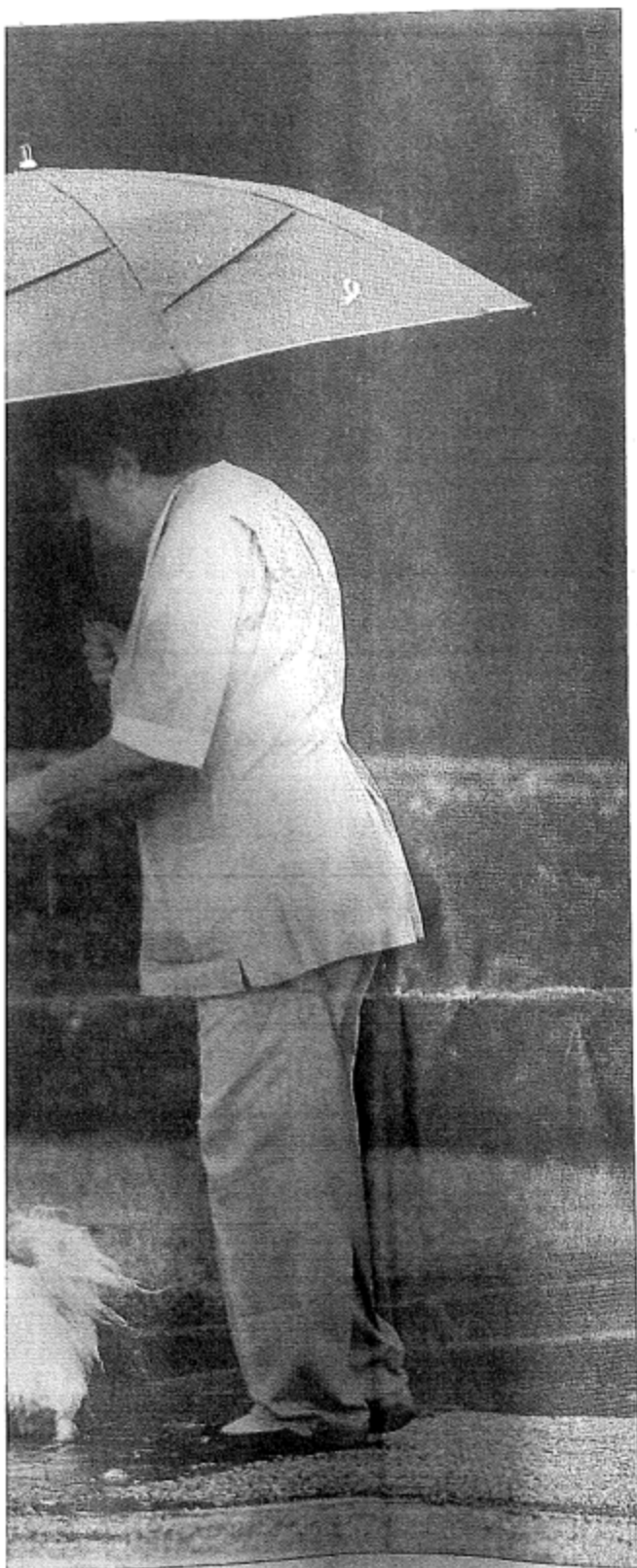
by the Epstein camp. Her father said in 2006 that private investigators aggressively followed his car, photographed his home and chased off visitors after his daughter accused Epstein.

Jane Doe contends that when she was 14, she was recruited to go to Epstein's mansion to give him a massage. She says he engaged in sexual conduct with her at that time.

Epstein is a wealthy Manhattan money manager who was indicted by a Palm Beach County grand jury in July 2006 on a single count of felony solicitation of prostitution. Police investigated him for 11 months, concluding that he engaged in sexual activity with several underage girls whom he paid to give him massages at his waterfront home. Epstein has maintained he did not know the girls were minors.

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to be choosy



BRUCE R. BENNETT/Staff Photographer

neighborhood. Conditions late Wednesday afternoon prompted a tornado warning in south county. Storms could be on the horizon again today.

## Another suit alleges sex during massage

By LARRY KELLER  
Palm Beach Post Staff Writer

**WEST PALM BEACH** — Another woman filed a federal lawsuit against Jeffrey Epstein on Wednesday, alleging that he turned a massage she gave him at his Palm Beach mansion into a sexual episode when she was 16 years old.

Identified as "Jane Doe No. 3," she is seeking more than \$50 million, the same as two other "Jane Does" who filed similar lawsuits in the past six weeks. All three suits were filed by Miami lawyer Jeffrey Herman.

Herman subsequently withdrew the first Jane Doe's lawsuit because of squabbling by her parents over the litigation. The girl may refile the suit after she turns 18 in May and can make her own decisions, Herman said.

Other alleged victims also have contacted him, Herman said. "I do anticipate more cases," he said.

In the latest litigation, Jane Doe No. 3 alleges that she was recruited by a former college student, [REDACTED], to give Epstein a massage for money at his waterfront home late in 2004 or early in 2005.

The lawsuit alleges that, while on the massage table, Epstein sexually touched Jane Doe No. 3, then masturbated. She is suing on grounds of sexual assault and intentional infliction of emo-

tional distress.

"She felt intimidated. She felt scared," Herman said. Jane Doe No. 3 made only the one visit to Epstein's home, he said.

"It's just another copycat lawsuit filed by the same lawyer who appears less interested in the truth than in grandstanding with these press conferences," said Jack Goldberger, one of Epstein's attorneys. "We now have sworn testimony that girls lied about their age to Jeffrey Epstein, and they were careful in being convincing that they were over the age of 18."

Herman said [REDACTED] instructed Jane Doe No. 3, "When he asks how old you are, tell him 18 or 19 years old." But he said it doesn't matter. "They were underage girls," Herman said. "They were sexually assaulted."

In addition to the civil lawsuits, Epstein was indicted on a single count of felony solicitation of prostitution in July 2006 after a lengthy Palm Beach Police Department investigation into his activities with underage girls at his home. A resolution has been delayed continually. The case is on Monday's court docket but is expected to be rescheduled once again.

"One of the reasons (Jane Doe No. 3) came forward is she is tired of waiting for justice," Herman said.

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## Anti-Semitic incidents drop for second year

*But an audit shows a worrisome continued use of swastikas.*

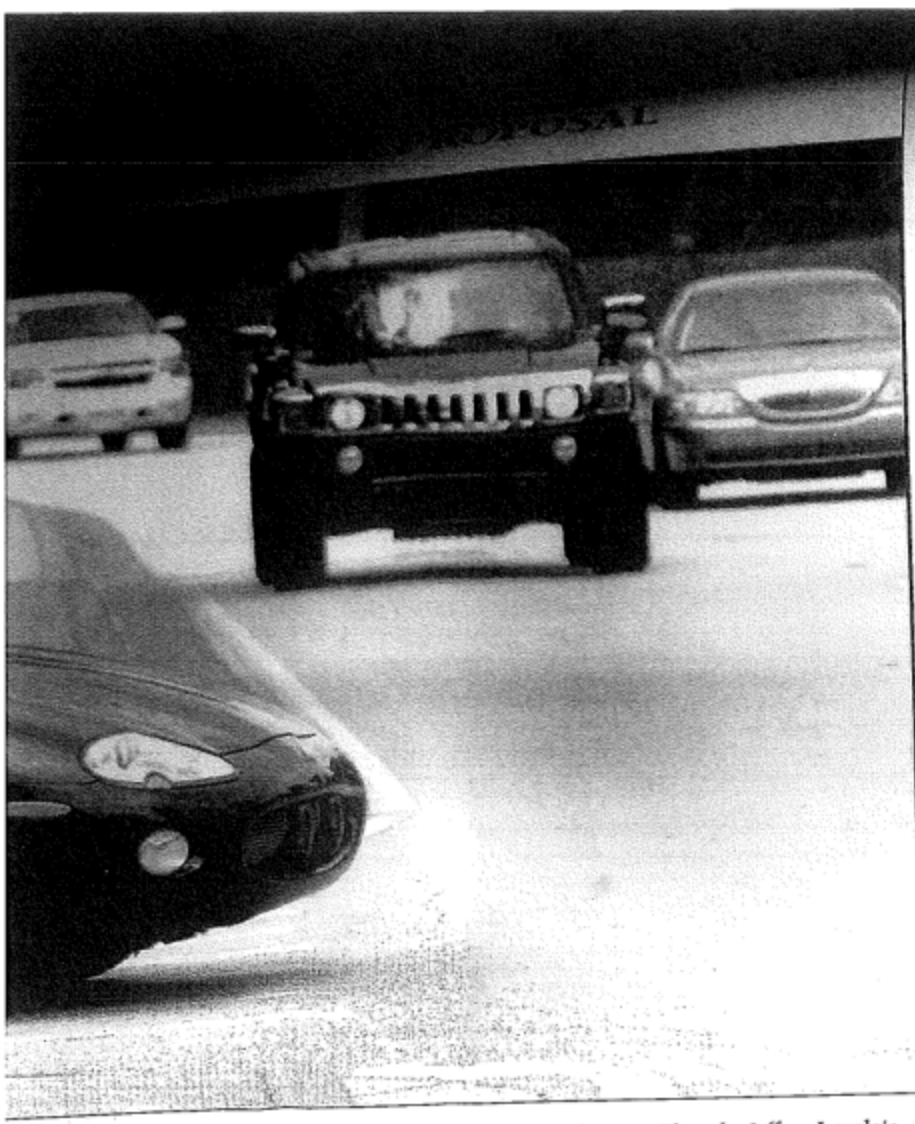
By KEVIN DEUTSCH  
Palm Beach Post Staff Writer

part of our society."

It marked the second straight year Florida's numbers have declined and the third consecutive decline nationally. Florida ranks fourth in anti-Semitic incidents, behind New York, New Jersey and California.

The anti-Semitic inci-





Daily News Photo by Jeffrey Langlois

edge to be able to see traffic on South County Road on Wednesday afternoon.

## if greenery has to go

**WILLIAM KELLY**  
News Staff Writer

er not to bring out those heavy-

commendations of the town consultant, the Planning and n voted 5-2 Tuesday to reject standards for intersections.

would force owners of corner s and other structures and cut taller than 30 inches within o drivers would have a better

ing commissioners said they of the new rules would start a

to have a huge uproar," Com- ay Dowell said. He added that en" with existing intersection ght rules.

ision is a recommendation to

owners make improvements equal to at least 25 percent of the value of their homes, accessory buildings or structures within the new sight triangle measurements.

Commissioner Gene [REDACTED] said that would result in a dramatic loss of greenery at many intersections along North Lake Way.

"Landscaping is extremely important to this town," he said.

Brian Mirson, a traffic engineer and urban planner with American Consulting Engineers, said the new standards would reduce the town's legal exposure if poor intersection sight distance is found relevant to a crash.

"For a car to be required to pull 8 feet out in the road to have safe space to make a turn — we don't think it's defensible" in court, Mirson said.

The consultant's review of town intersections showed that trees, shrubs, hedges, walls and other obstacles to sight could cause or contribute to a vehicle crash at 235 of the town's 278 intersections.

The new sight triangle would force the

# Another suit filed against Epstein

Lawsuit seeks \$50 million, alleges billionaire touched girl, then 16, inappropriately during a massage at his PB home.

By **WILLIAM KELLY**  
Daily News Staff Writer

Another young woman is seeking more than \$50 million in damages from part-time Palm Beach billionaire Jeffrey Epstein, alleging he sexually assaulted her at his Palm Beach home when she was 16 years old.



**Epstein**  
Miami attorney files third lawsuit against the part-time Palm Beacher.

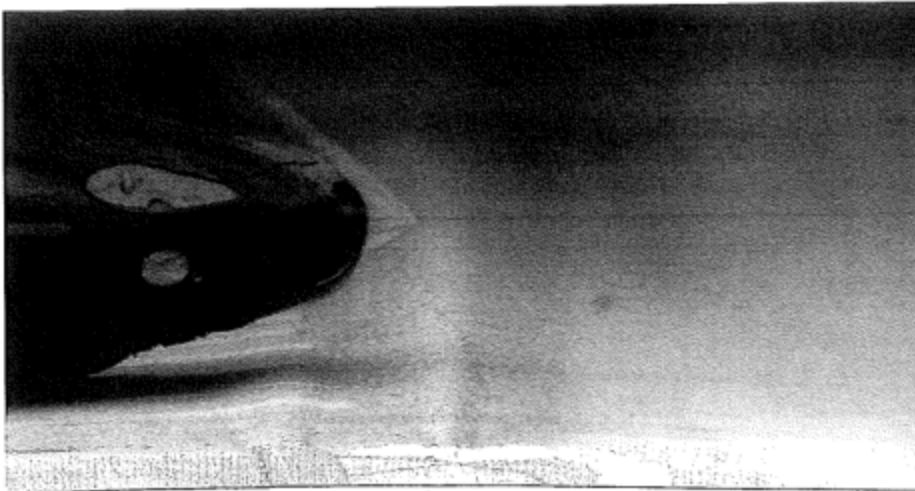
The federal lawsuit, filed Wednesday, claims the 55-year-old Manhattan money manager touched the girl inappropriately while she gave him a massage on one occasion in 2004 or 2005.

The girl's attorney, Jeffrey M. Herman of Miami, announced the suit Wednesday at a news conference at Peruvian Park.

It is the third lawsuit Herman has filed on behalf of young women who allege Epstein sexually assaulted them while they were underage and while they performed massages on him at his El Brillo Way home. One of the earlier suits was dropped last week because the 17-year-old girl's divorced parents couldn't agree on how to pursue the case, Herman said.

None of the alleged victims have been publicly identified. The young woman on whose behalf Wednesday's suit was filed is called Jane Doe No. 3. She is now 19, Herman said.

Epstein's attorney, Guy Lewis of Miami, issued a statement dismissing the



Daily News Photo by Jeffrey Langlois

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**LIAM KELLY**  
ews Staff Writer

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*Please see RULES, Page A12*

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*Please see EPSTEIN, Page A12*

## PERSPECTIVES to PONDER

Winslow Homer's etchings, illustrations  
a contrast to blurry, large-scale photos  
by Seton Smith, both on view at Eaton.

By **JAN SJOSTROM**  
Daily News Arts Editor

... exhibitions at Eaton Fine Art have little



# EPSTEIN

## His attorney says lawsuit is 'wholly without merit'

From Page A1

latest allegations as "another copycat lawsuit."

"This one repeats the identical allegations of the first three lawsuits, including the absurd demand for \$50 million," Lewis said. "These women, who are not 'victims' by any stretch of the imagination, have all confessed to lying about their ages. The latest lawsuit, like the three before it, is wholly without merit. We will vigorously fight these allegations in court."

The suit says Epstein engaged in a scheme to get access to minor girls at his home, sexually assaulted them, then gave them money.

A young woman named [REDACTED] recruited Jane Doe No. 3 and other minor girls to give Epstein the massages, Herman said.

Jane Doe No. 3 told Epstein that she was 18 years old or older after being advised to do so before giving him the massage, Herman said.

Jane Doe No. 3 was alone in a room with a massage table when Epstein arrived wearing only a towel to cover himself, the suit says. He told her to partially undress, then touched her inappropriately during the massage, the suit

says.

The girl then accepted a payment of \$200 to \$300 and left, Herman said.

"She was sort of in a state of shock," Herman said. "She felt intimidated. She felt vulnerable."

She never returned and did not tell her parents about the incident until a criminal investigation began, he said.

The girl decided to sue Epstein because she wants justice, he said.

"For victims, it's very empowering to hold someone accountable," said Herman, who specializes in sex abuse cases.

Herman said "a number of other young girls" have contacted him with similar allegations against Epstein.

An investigation by Palm Beach Police alleged that Epstein induced several underage girls to give him massages at his home. He was indicted in July 2006 on one felony charge of solicitation of prostitution. The charge is pending.

— wkelly@pbdailynews.com

# UNION

## CUSP sends e-mail urging residents to show police support

From Page A1

when buying a house or a car.

"It's good job security," he said. "It's overdue."

- ♦ The residents' groups also sent out e-mail messages to 800 residents, asking them to contact police directly by calling 838-5460, by mail at Palm Beach Police Department, P.O. Box 2029, Palm Beach, FL 33480 or by e-mail at chief@palmbeachpolice.com.

- ♦ Sgt. Fred Hess said he received a copy of Tuesday's letter from the two groups in his department mail slot.

"Unions may have their place in some situations," he said. "I don't think it is right

for Palm Beach."

Citizens United for Sensible Planning, a loosely knit group of primarily North End and Midtown bloggers, sent an e-mail message to about 250 recipients Monday asking them to support the Police Department.

The message says a union would create distance between the police and the residents.

It urges town residents to "speak out directly to the police officers."

"... the message they need to get loud and clear in the next few days is that we are behind them ...," the CUSP

e-mail says.

Co-chairwoman Jere Zenko said unions "don't sit well with a lot of people."

"We come from northern communities where unions are anathema," she said.

For either union to be selected in next week's balloting, it must receive a majority vote.

The department's chief, majors, captains and a sergeant who serves in the professional standards unit are excluded from the union vote, as are non-sworn department employees.

— mkacoha  
@pbdailynews.com

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DAN SHORTER, General Manager, PalmBeachPost.com

## How will system judge Palm Beach predator?

We soon will find out whether big money can buy from the criminal justice system what everyone assumes that big money can buy.

The penalty news reports say part-time Palm Beach resident Jeffrey Epstein is expected to face suggests that he will plead guilty to something more than one felony count for solicitation of prostitution. A Palm Beach County grand jury indicted the Manhattan money manager on that charge in July 2006. But a guilty plea that does not recognize the age of the girls whom police say the billionaire paid for sex would be a disservice to the girls, an insult to the investigators who pressed the case and, for good measure, a general outrage.

Palm Beach police have said that Jeffrey Epstein, 54, paid underage girls, one as young as 14, to come to his 7,200-square-foot waterfront home for "massage" sessions. Police said interviews with five alleged victims and 17 witnesses under oath, phone messages, a high school transcript and other items they found in Mr. Epstein's trash and home show that he knew how young the girls were. But after Mr. Epstein's attorneys told prosecutors about the girls' MySpace pages, which mentioned marijuana and alcohol use, State Attorney Barry Krischer sent the case to a grand jury, instead of filing charges himself.

Blaming these victims, however, does not make them any more deserving of what happened. And Mr. Krischer's unnecessary handoff to a grand jury, after an 11-month police investigation, more than reinforced

*Jeffrey Epstein case comes to turning point.*

the public understanding that the more money the accused has, the bigger the break he gets. Mr. Epstein's legal team includes West Palm Beach defense attorney Jack Goldberger, Harvard Law School Professor Alan Dershowitz, who worked on the O.J. Simpson murder case, and Kenneth Starr, who once pursued a president based on his lies about sex with young women.

Federal authorities also stepped in, which stalled the state's case for another year. On Nov. 9, citing an unnamed source close to Jeffrey Epstein, Jose Lambiet of *The Post* wrote that the federal investigation is over, and Mr. Epstein is expected to serve up to 18 months and could be labeled a sex offender in criminal records. The charge the grand jury returned more than a year ago carries a maximum five-year prison term and no "sex offender" label.

"This case," Mr. Goldberger told Mr. Lambiet, "is absolutely going to end without a trial within the next two months." State attorney spokesman Michael Edmondson would not confirm any plea deal. But, he noted: "The state attorney's hands are not tied by there being a single grand jury charge. That does not preclude additional charges."

Jeffrey Epstein, like too many men in Florida, preyed on teenaged girls. The system should not let him buy his way out of that reality.

## This time

"With so much corruption around us, we are grateful to *Palm Beach Post* for reporting helped remove County Commissioners Tony Masilotti and Wa Newell and City Commissioner Ray Liberti and Jim Exline," gie Williams wrote to *The Post* month. "... Now we want more attention paid to stopping gangs gun-related violence."



Elisa Cramer

"You see, we not elected cials. We are in newspaper us as a 'mug shot' a brief. We are MAMAS, Mo Against Murder society. As 1 ers of children who have been l by guns, we all wonder: Where the guns coming from and who benefiting? We know we aren't

"We are single mothers at work. Most of us work two jobs are the nurses you see in the emergency rooms, the helpers at

Funeral Home & Crematory, Stuart. Funeral Mass Wednesday.

**Innarelli, Attilio**, 80, of Stuart, died Friday. Young & Prill Funeral Home, Stuart. Visitation Wednesday and Thursday; funeral Mass Thursday.

**Kreitz, Mary**, 86, of Jensen Beach, died Thursday. Martin Funeral Home & Crematory, Stuart.

### St. Lucie County

**Chalkis, Anne**, 88, of Port St. Lucie, died Thursday. Yates Funeral Home and Crematory, Port St. Lucie.

**Gallins, Scott J.**, 40, of Port St. Lucie, died Friday. Tillman Funeral Home, West Palm Beach. Funeral today.

### Okeechobee County

**Tufts, Ernest Woodrow**, 90, of Okeechobee, died Saturday. Buxton Funeral Home and Crematory, Okeechobee.

## ICES



**DOLORES H. ROSS**

75, realtor, avid golfer, bridge enthusiast. Mrs. Dolores H. (nee Heintzelman) Ross died peacefully Sunday afternoon, February 10, 2008 surrounded by her family at her home in the Hawk Pointe community of Washington Township, N.J. She was 75.

Born in Sunbury, PA., Mrs. Ross was raised in Groton, CT, and had lived in Conyngham, PA, Flourtown, PA, and Ponte Vedra Beach, FL before moving to Chatham Township where she had lived for 30 years before recently moving to Washington Township. She and her husband Bob Ross also maintained a home at the PGA National in Palm Beach Gardens, FL for many years.

Mrs. Ross had worked as a real estate broker for many years, most recently with Welchert Realtors Chatham office for over 15 years, retiring in 1995.

She was a bridge enthusiast and avid golfer at the PGA National Golf Club at Palm Beach Gardens, FL and the Baltusrol Golf Club in Springfield, NJ.

allegedly cheated on her, police said. Norman allegedly enlisted the help of McGee, a crack cocaine dealer, police also contend.

In the August 2006 attack, Tackaberry was killed and Elijah's throat was slashed. John Tackaberry discovered them after arriving home from a date.

Prosecutors are seeking the death penalty for Norman and McGee, said attorney Gregg Lerman, who represents Norman. Tackaberry's relatives filled the courtroom Monday for the brief hearing, he said. A trial date for the pair may be set at their next court appearance scheduled for May.

Norman, who had no criminal history, met McGee at a gas station. When McGee offered to sell Norman drugs, she declined,

"I ain't answering to no one," he said.

McGee also denied stabbing or slashing Elijah, who survived.

"Don't do nothing to a little kid, man." He said that he entered the Tackaberry home to rob it to buy more crack. "A robbery that went bad," McGee said.

Norman gave a much longer and detailed statement. She said McGee slashed Elijah's throat, then eventually admitted she cut the boy across the chest. The wound was a stab, not a cut, an officer told her.

"I didn't think I juggled him that hard," Norman said. "I didn't want him to die. I did it to spite John."

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## Girl in sex-abuse suit alleges harassment

*The defendant she accuses is a part-time Palm Beach resident.*

By LARRY KELLER  
Palm Beach Post Staff Writer

WEST PALM BEACH — A lawyer representing one of two girls who recently sued part-time Palm Beach resident Jeffrey Epstein in federal court, claiming sexual assault, has asked a judge to stop Epstein and his attorneys from "continuous and systematic harassment."

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It's not the first time one of Jane Doe's parents has complained of harassment

by the Epstein camp. Her father said in 2006 that private investigators aggressively followed his car, photographed his home and chased off visitors after his daughter accused Epstein.

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signs all of the city's checks and has the right to inspect all documents throughout the city. He suggested the original framers of the charter put the measure in place to provide some "checks and balances" within city government.

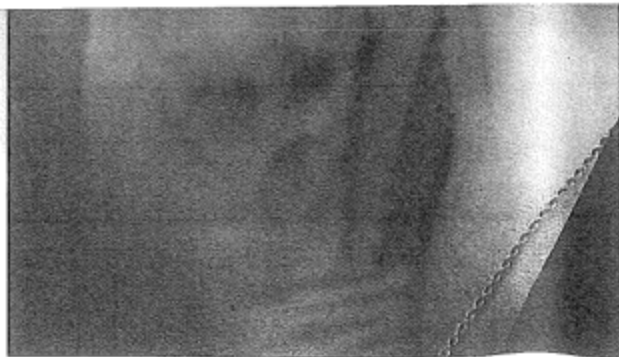
Elected in March 2007, Masters has not suspended anyone.

"It's one thing to amend the charter," Masters said. "But it's another thing to change the original intent of the charter."

The city's charter hasn't been amended since 1973.

The council created a charter review advisory board to comb the document, which produced the 21 proposed amendments. The proposals include

See RIVIERA, 5B ►



PALM BEACH GARDENS — Jill Coulter of Palm Beach Ash Wednesday at St. Ignatius Loyola Cathedral. (For Christians, the faithful turned out at churches throughout the Diocese of Palm Beach.) Gerald Barbarito, head of the Diocese of Palm Beach.

## Part-time Palm Beacher faces another sex suit

By LARRY KELLER  
Palm Beach Post Staff Writer

WEST PALM BEACH — For the second time in two weeks, part-time Palm Beach resident Jeffrey Epstein has been sued for more than \$50 million by a woman who contends that he engaged in sexual activity with her when she was a minor after



Epstein

enticing her to give him a massage at his home.

More lawsuits may follow, Miami lawyer Jeffrey Herman said. "I'm aware of other victims,"

he said. "I have been contacted."

Herman filed a similar lawsuit against Epstein on Jan. 24 on behalf of a girl identified as "Jane Doe," her father and stepmother. The girl, now 17, says she was 14 when she gave Epstein a

sexually tinged massage at his home.

The latest alleged victim is identified as "Jane Doe No. 2." She went to Epstein's Palm Beach mansion in 2004 or 2005 when she was 16, the lawsuit alleges. She says another girl recruited her to go there to give Epstein a massage.

Once there, she alleges, she was led to an upstairs room with a massage table. Epstein came in wearing only a towel around his waist and told her to remove her clothes. She did, except for her bra and panties, according to the lawsuit.

Epstein removed his towel, rolled onto his back, masturbated and touched Jane Doe No. 2 sexually, according to the lawsuit filed in federal court in West Palm Beach on Wednesday.

Jane Doe No. 2 was paid \$200 afterward, and the girl who recruited her was given

See EPSTEIN, 5B ►



Emily Minor's column will return. ■ Coi



# 1 plaintiff's parents at odds over suit

► EPSTEIN from 1B

\$100, according to the lawsuit. The two attended the same Palm Beach County high school. Jane Doe No. 2 is now 19 and living in Virginia, Herman said.

Both lawsuits contend that Epstein, 55, targeted "economically disadvantaged girls from western Palm Beach County" who were perceived as less likely to complain to authorities, or whose credibility would be questioned if they did.

"Both complaints are full of lies," said Guy Lewis, former U.S. attorney in Miami and one of Epstein's many attorneys. Jane Doe No. 2's lawsuit "is an outrageous, defamatory copycat of the first."

There has been a twist in the first Jane Doe lawsuit. Her mother in Georgia contends that her former husband — Jane Doe's father — consulted with neither of them before filing the lawsuit. She is asking a judge to halt the litigation until her daughter turns 18 in May and can make her own decisions.

The mother asked in court filings to be added to the lawsuit, saying she "has suffered and will continue to suffer severe mental anguish and pain" as a result of Epstein's "reckless conduct."

Jane Doe "just didn't want the lawsuit going forward with the father's involvement," said Ted Leopold, the mother's attorney. "She wanted to pursue it on her own. The father essentially did this on his own."

Jane Doe has been estranged from her father since Thanksgiving, Leopold said. "That's why it's even stranger what he did," he said.

The girl's mother is asking a judge in their divorce case to find the father in contempt of court for violating their divorce decree by not conferring with her on a matter

involving their daughter.

"The father has sole custody and has the right to make decisions on his daughter's rights," Herman said.

Epstein is a wealthy New York money manager who has counted Bill Clinton, Donald Trump and Britain's Prince Andrew among his friends. He was the target of a lengthy investigation into his activities with girls by the Palm Beach Police Department that resulted in his indictment in July 2006 on one count of felony solicitation of prostitution. That case is pending.

Epstein has been sued in New York by a woman who says he had sex with her when she was 16. Herman said he has received calls from others making the same assertions in that state.

Herman convened a news conference Wednesday on the middle bridge connecting West Palm Beach and Palm Beach.

"This is the bridge ... these girls were recruited to come over and give a massage," he said. "When they crossed this bridge, they had no idea what was in store for them. This is a bridge of tears."

Herman has described both Jane Does as typical teenage girls Epstein robbed of their innocence.

But Harvard University law Professor Alan Dershowitz, another Epstein attorney, provided the state attorney's office with information gleaned from the Myspace.com Web site two years ago showing that some of Epstein's alleged victims boasted of their alcohol and marijuana use.

Herman said the girls' backgrounds aren't relevant to Epstein's purported behavior. "They don't have the mental capacity to consent to something like this with a grown man," he said.

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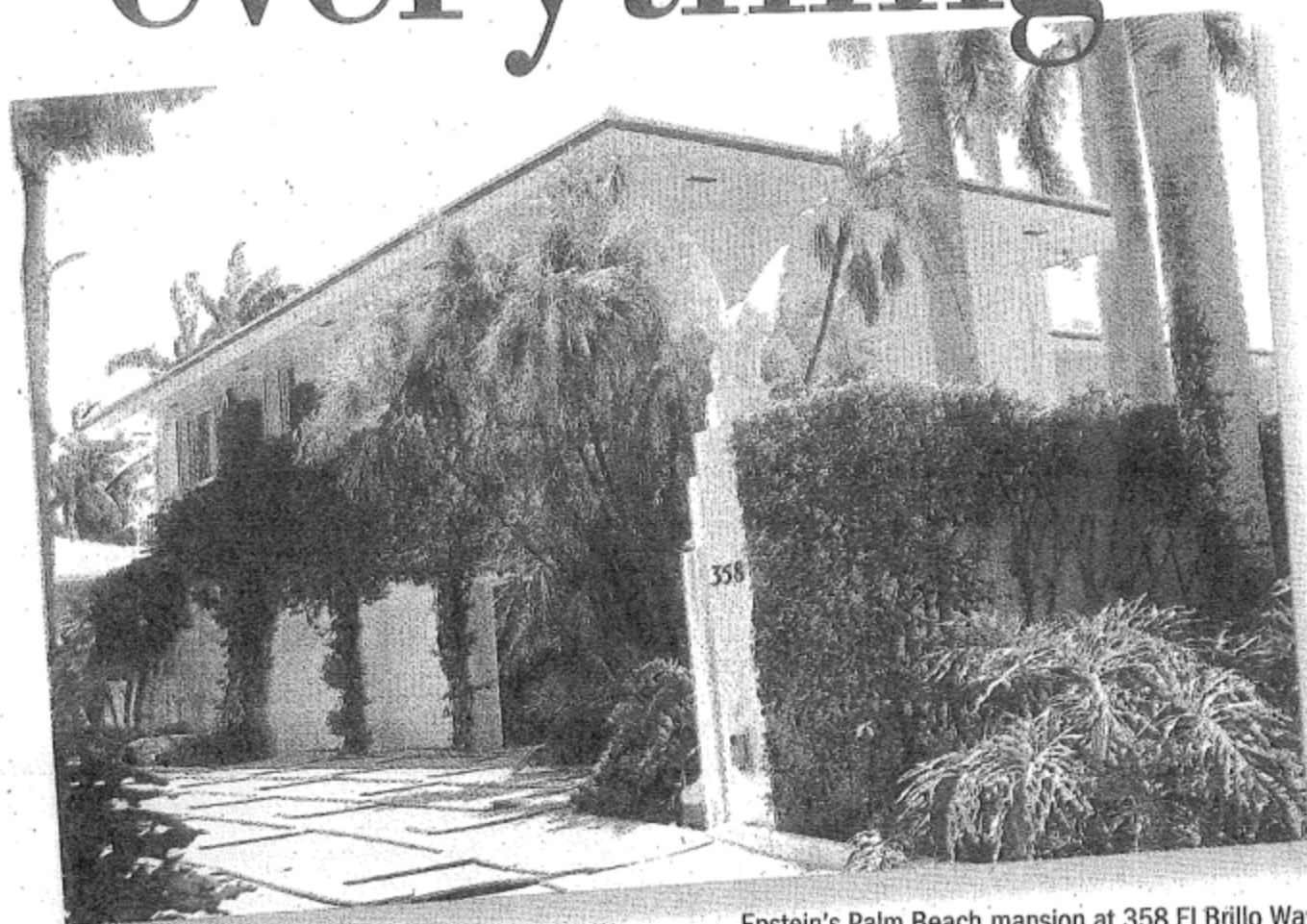
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| White/Beige leather, #NH06465                 |       |          |
| 2004 BMW 325i                                 | ..... | \$25,975 |
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| Silver/Black leather, 28,000 miles #PL06618   |       |          |
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| 2005 BMW 525i               | ..... |
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| 2004 BMW 530i Sedan         | ..... |
| Blue/Cream, Sport, NAV, 3   |       |
| 2006 BMW 525i               | ..... |
| Blue/Auburn leather, 9,000  |       |
| 2006 BMW 530i               | ..... |
| Grey/Black leather, 21,000  |       |

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# The man who had everything



Epstein's Palm Beach mansion at 358 El Brillo Way.

## Jeffrey Epstein craved big homes, elite friends and, investigators say, underage girls

By ANDREW MARRA, Palm Beach Post Staff Writer

**WINGED GARGOYLES** guarded the gate at Jeffrey Epstein's Palm Beach mansion. Inside, hidden cameras trolled two rooms, while the girls came and went.

For the police detectives who sifted through the garbage outside and kept records of visitors, it was the lair of a troubling target.

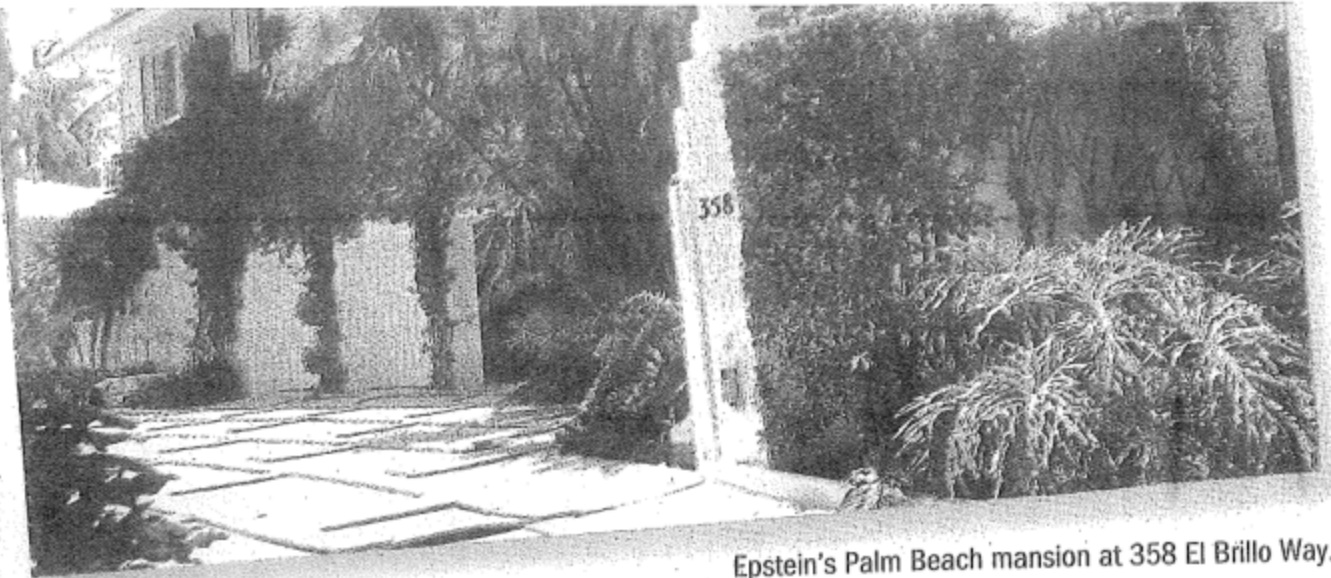
Epstein, one of the most mysterious of the country's mega-rich, was known as much for his secrecy as for his love of fine things: magnificent homes, private jets, beautiful women, friendships with the world's elite

else: the regular arrival of teenage girls he hired to give him massages and, police say, perform sexual favors.

Epstein was different from most sexual abuse suspects; he was far more powerful. He counted among his friends former President Bill Clinton, Donald Trump and Prince Andrew, along with some of the most prominent legal, scientific and business



Epstein's mysterious lifestyle



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Epstein, one of the most mysterious of the country's mega-rich, was known as much for his secrecy as for his love of fine things: magnificent homes, private jets, beautiful women, friendships with the world's elite.

But at Palm Beach police headquarters, he was becoming known for something

else: the regular arrival of teenage girls he hired to give him massages and, police say, perform sexual favors.

Epstein was different from most sexual abuse suspects; he was far more powerful. He counted among his friends former President Bill Clinton, Donald Trump and Prince Andrew, along with some of the most prominent legal, scientific and business minds in the country.

When detectives started

See EPSTEIN, 6A ►



Epstein's mysterious lifestyle began to unravel after claims of sexual activity with minors.

■ Epstein's lawyers take on Palm Beach police chief. Local, 1B

## State suspends Boynton doctor, says he violated previous order

By STACEY SINGER  
Palm Beach Post Staff Writer

Mondays are supposed to be scalpel days for Boynton Beach plastic surgeon Mark D. Schreiber. But not today.

The Florida Department of Health issued an emergency suspension order against the doctor late Friday, saying it believed that the last time the state suspended Schreiber's license, he continued to oper-



Schreiber

## Hostilities escalate

Lebanon's Cabinet seems torn over Hezbollah

By HENRY CHU and BORZOU DARAGAH  
Los Angeles Times

BEIRUT — By air and on land, Israeli forces and Hezbollah fighters battled fiercely to maximize their positions Sunday in a last-minute surge of bloodletting before an offi-

anese govern of the U.N.-b day, after sh Cabinet form ed Nations i cease-fire.

Through night Israel



**Jeffrey Epstein has donated more than \$100,000**  
to Democratic candidates' campaigns, including John Kerry's presidential  
the reelection campaign of New Mexico Gov. Bill Richardson and the Senate  
of Joe Lieberman, Hillary Clinton, Christopher Dodd and Charles Schumer.

# Powerful legal team stymies

EPSTEIN from 1A

king questions and teenage girls  
urged talking, a wave of legal  
assistance followed.

If Palm Beach police didn't know  
ite who Jeffrey Epstein was, they  
ind out soon enough.

Epstein, now 53, was a quintes-  
ntial man of mystery. He amassed  
s fortune and friends quietly,  
ways in the background as he  
vigated New York high society.

When he first attracted notice in  
e early 1990s, it was on account of  
e woman he was dating: Ghislaine  
Maxwell, daughter of the late British  
edia tycoon Robert Maxwell.

In a lengthy article, headlined  
he Mystery of Ghislaine Max-  
well's Secret Love," the British *Mail*  
*Sunday* tabloid laid out specula-  
e stories that the socialite's beau  
is a CIA spook, a math teacher, a  
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inter.

"But what is the truth about  
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ike Maxwell, Epstein is both  
mboyant and intensely private."

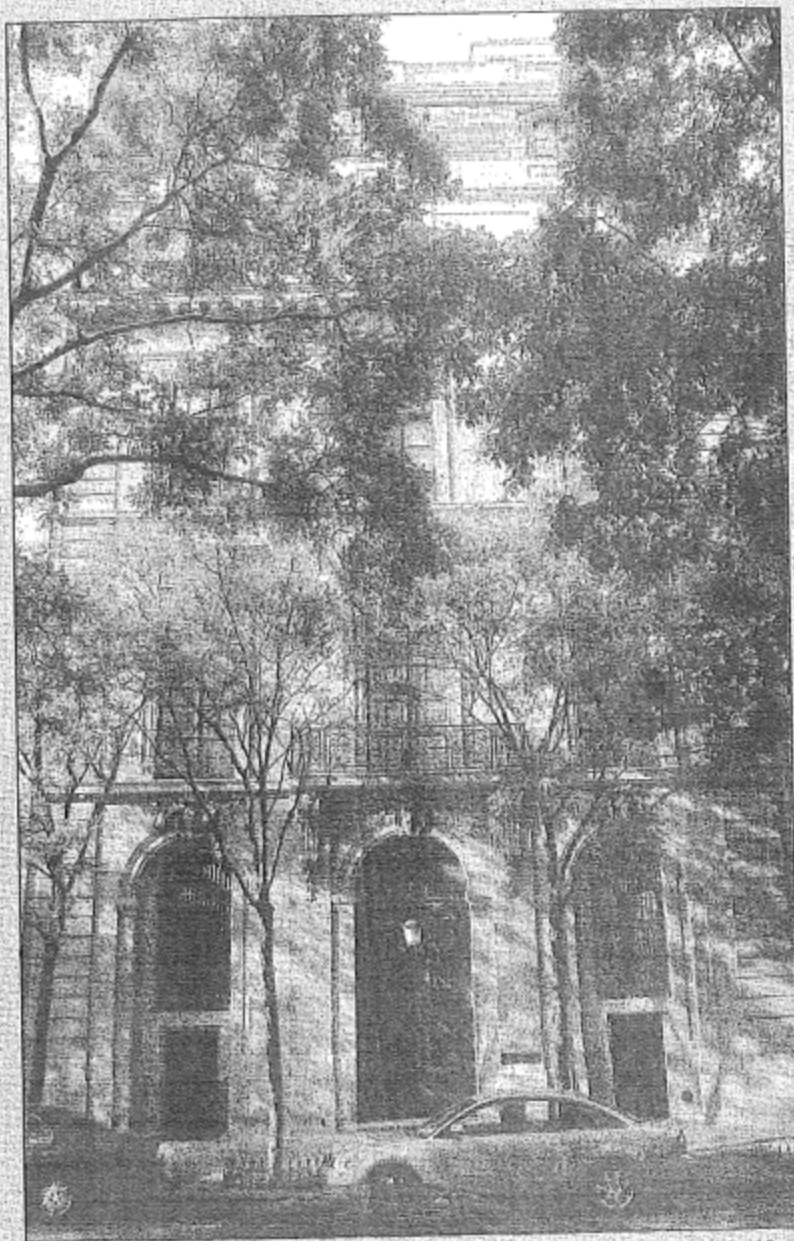
The media frenzy did not begin  
full until a decade later. In Sep-  
ember 2002, Epstein was flung into  
e limelight when he flew Clinton  
id actors Kevin Spacey and Chris  
tucker to Africa on his private jet.

Suddenly everyone wanted to  
ow who Epstein was. *New York*  
agazine and *Vanity Fair* published  
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ted him as one of the city's most  
igible bachelors and began  
escribing him in its gossip columns  
ith adjectives such as "mysterious"  
id "reclusive."

Although Epstein gave no inter-  
ews, the broad-strokes of his past  
arted to come into focus.

**Building a life of extravagance**

## A life of luxury and secrecy



TINA FINEBERG/The Associated Press  
Jeffrey Epstein's Manhattan townhouse dominates a block on the Upper East  
Side. Thought to be the largest private residence in Manhattan, it is reported

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In March 2005, a  
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### Police interview 5 a

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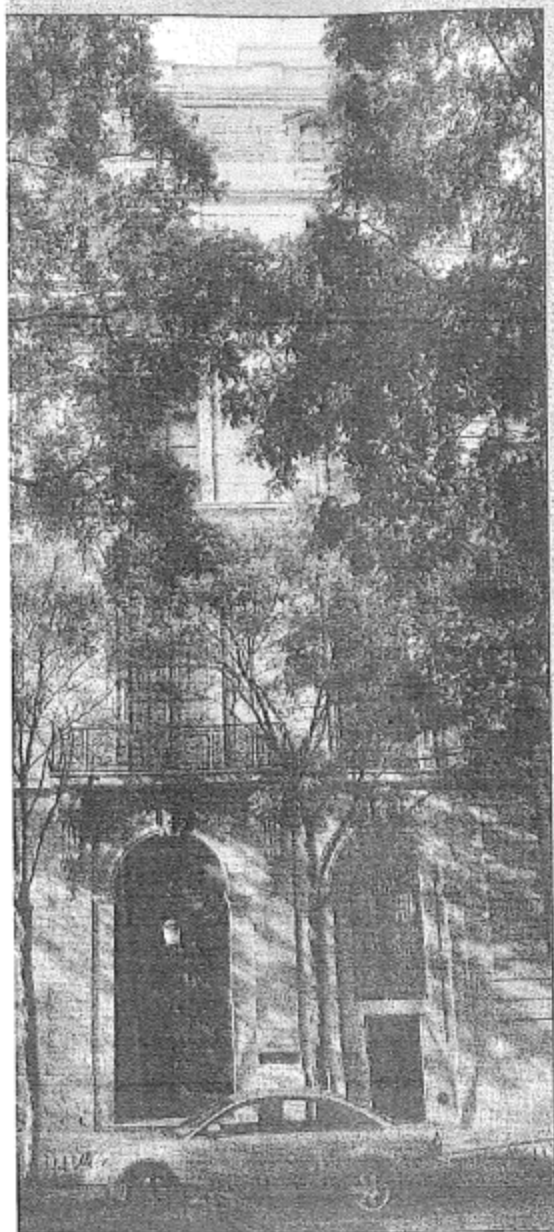
tein has donated more than \$100,000

s' campaigns, including John Kerry's presidential bid,  
f New Mexico Gov. Bill Richardson and the Senate bids  
ry Clinton, Christopher Dodd and Charles Schumer.



# al team stymies detectives

## ury and secrecy



TINA FINEBERG/The Associated Press  
itan townhouse dominates a block on the Upper East

fuel extraordinary desires.

In March 2005, a worried mother contacted Palm Beach police. She said another parent had overheard a conversation between their children.

Now the mother was afraid her 14-year-old daughter had been molested by a man on the island.

The phone call triggered an extensive investigation, one that would lead detectives to Epstein but leave them frustrated.

Palm Beach police and the state attorney's office have declined to discuss the case. But a Palm Beach police report detailing the criminal probe offers a window into what detectives faced as they sought to close in on Epstein.

Detectives interviewed the girl, who told them a friend had invited her to a rich man's house to perform a massage. She said the friend told her to say she was 18 if asked. At the house, she said she was paid \$300 after stripping to her panties and massaging the man while he masturbated.

### Police interview 5 alleged victims

The investigation began in full after the girl identified Epstein in a photo as the man who had paid her. Police arranged for garbage trucks to set aside Epstein's trash so police could sift through it. They set up a video camera to record the comings and goings at his home. They monitored an airport hangar for signs of his private jet's arrivals and departures.

They quickly learned that the woman who took the 14-year-old girl to Epstein's house was [redacted], a Palm Beach Community College student from Loxahatchee. In a sworn statement at police headquarters Robson then 18 admitted

enough dirt on the girls to make prosecutors skeptical. Not only did some of the girls have issues with drugs or alcohol but also some had criminal records and other troubles, Epstein's legal team claimed. And at least one of them, they said, lied when she told police she was younger than 18 when she started performing massages for Epstein.

After the meeting, prosecutors postponed their decision to take the case to a grand jury.

In the following weeks, police received complaints that two of the victims or their families had been harassed or threatened. Epstein's legal team maintains that its private investigators did nothing illegal or unethical during their research.

By then, relations between police and prosecutors were fraying. At a key meeting with prosecutors and the defense, Detective Joseph Recarey, the lead investigator, was a no-show, according to Epstein's attorney.

"The embarrassment on the prosecutor's face was evident when the police officer never showed up for the meeting," attorney Jack Goldberger said.

Later in April, Recarey walked into a prosecutor's office at the state attorney's office and learned the case was taking an unexpected turn.

The prosecutor, Lanna Belohlavek, told Recarey the state attorney's office had offered Epstein a plea deal that would not require him to serve jail time or receive a felony conviction.

Recarey told her he disapproved of the plea offer.

The deal never came to pass, however.

### Future unclear after charge



TINA FINEBERG/The Associated Press

Manhattan townhouse dominates a block on the Upper East Side, the largest private residence in Manhattan, it is reported to have a television and a heated sidewalk to melt fallen snow.

## In his life



Maxwell, a  
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**PalmBeachPost.com**

Previous stories on the Epstein investigation.

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A former friend claimed Epstein backed out of a promise to reimburse him hundreds of thousands of dollars after their failed investment in Texas oil wells. A judge decided Epstein owed him nothing.

"It's a bad memory. I would rather not have ever met Jeffrey Epstein," said Michael Stroll, the retired former president of Williams Electronics and Sega Corp. "Suffice it to say I have nothing good to say about him."

Among the characteristics most attributed to Epstein is a penchant for women.

He has been linked to Maxwell, a fixture on the high-society party circuits in both New York and London. Previous girlfriends are said to

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They quickly learned that the woman who took the 14-year-old girl to Epstein's house was [REDACTED], a Palm Beach Community College student from Loxahatchee. In a sworn statement at police headquarters, [REDACTED], then 18, admitted she had taken at least six girls to visit Epstein, all between the ages of 14 and 16. Epstein paid her for each visit, she said.

During the drive back to her house, [REDACTED] told detectives, "I'm like a Heidi Fleiss."

Police interviewed five alleged victims and 17 witnesses. Their report shows some of the girls said they had been instructed to have sex with another woman in front of Epstein, and one said she had direct intercourse with him.

In October, police searched the Palm Beach mansion. They discovered photos of naked, young-looking females, just as several of the girls had described in interviews. Hidden cameras were found in the garage area and inside a clock on Epstein's desk, alongside a girl's high school transcript.

Two of Epstein's former employees told investigators that young-looking girls showed up to perform massages two or three times a day when Epstein was in town.

They said the girls were permitted many indulgences. A chef cooked for them. Workers gave them rides and handed out hundreds of dollars at a time.

One employee told detectives he was told to send a dozen roses to one teenage girl after a high school drama performance. Others were given rental cars. One, according to police, received a \$200 Christmas bonus.

The cops moved to cement their case. But as they tried to tighten the noose, they encountered other forces at work.

In Orlando they interviewed a possible victim who told them nothing inappropriate had happened between her and Epstein. They asked her whether she had spoken to anyone else. She said yes; a private investigator had asked her the same questions

the police asked her for the meeting," attorney Jack Goldberger said.

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The deal never came to pass, however.

## Future unclear after charge

On May 1, the department asked prosecutors to approve warrants to arrest Epstein on four counts of unlawful sexual activity with a minor and to charge his personal assistant, [REDACTED], now 27, for her alleged role in arranging the visits. Police officials also wanted to charge Robson, the self-described Heidi Fleiss, with lewd and lascivious acts.

By then, the department was frustrated with the way the state attorney's office had handled the case. On the same day the warrants were requested, Palm Beach Police Chief Michael Reiter wrote a letter to State Attorney Barry Krischer suggesting he disqualify himself from the case if he would not act.

Two weeks later, Recarey was told that prosecutors had decided once again to take the case to the grand jury.

It is not known how many of the girls testified before the grand jury. But Epstein's defense team said one girl who was subpoenaed — the one who said she had sexual intercourse with Epstein — never showed up.

The grand jury's indictment was handed down in July. It was not the one the police department had wanted.

Instead of being slapped with a charge of unlawful sexual activity with a minor, Epstein was charged with one count of felony solicitation of prostitution, which carries a maximum penalty of five years in prison. He was booked into the Palm Beach County Jail early July 23 and released hours later.

Epstein's legal team "doesn't dispute that he had girls over for massages," Goldberger said. But he said their claims that they had sexual encounters with him lack credibility.

"They are incapable of being believed," he said. "They had criminal records. They had accusations of theft made against them by their



...later. In September 2002, Epstein was flung into the limelight when he flew Clinton and actors Kevin Spacey and Chris Tucker to Africa on his private jet.

Suddenly everyone wanted to know who Epstein was. *New York* magazine and *Vanity Fair* published lengthy profiles. The *New York Post* listed him as one of the city's most eligible bachelors and began describing him in its gossip columns with adjectives such as "mysterious" and "reclusive."

Although Epstein gave no interviews, the broad strokes of his past started to come into focus.

### Building a life of extravagance

He was born blue-collar in 1953, the son of a New York City parks department employee, and raised in Brooklyn's Coney Island neighborhood. He left college without a bachelor's degree but became a math teacher at the prestigious Dalton School in Manhattan.

The story goes that the father of one of Epstein's students was so impressed with the man that he put him in touch with a senior partner at Bear Stearns, the global investment bank and securities firm.

In 1976, Epstein left Dalton for a job at Bear Stearns. By the early 1980s, he had started J. Epstein and Co. That is when he began making his millions in earnest.

Little is known or said about Epstein's business except this: He manages money for the extremely wealthy. He is said to handle accounts only of \$1 billion or greater.

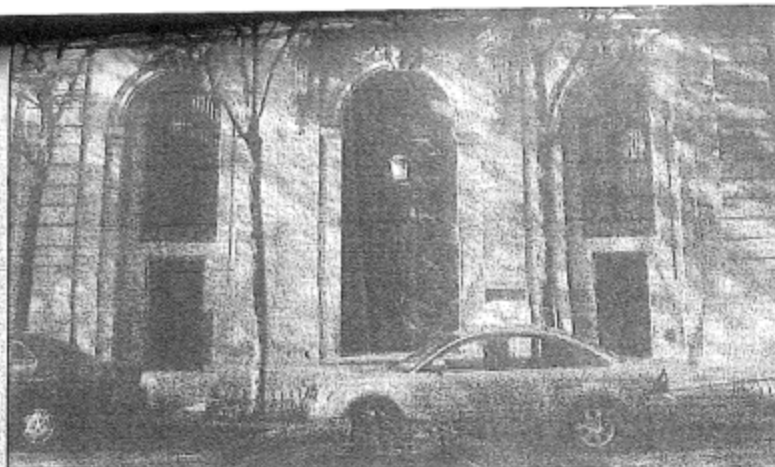
It has been estimated he has roughly 15 clients, but their identities are the subject of only speculation. All except for one: Leslie Wexner, founder of The Limited retail chain and a former Palm Beacher who is said to have been a mentor to Epstein.

Wexner sold Epstein one of his most lavish residences: a massive townhouse that dominates a block on Manhattan's Upper East Side. It is reported to have, among its finer features, closed-circuit television and a heated sidewalk to melt away fallen snow.

That townhouse, thought to be the largest private residence in Manhattan, is only a piece of the extravagant world Epstein built over time.

In New Mexico, he constructed a 27,000-square-foot hilltop mansion on a 10,000-acre ranch outside Santa Fe. Many believed it to be the largest home in the state.

In Palm Beach, he bought a



TINA FINEBERG/The Associated Press

Jeffrey Epstein's Manhattan townhouse dominates a block on the Upper East Side. Thought to be the largest private residence in Manhattan, it is reported to have closed-circuit television and a heated sidewalk to melt fallen snow.

### Women in his life



**Ghislaine Maxwell, a fixture at elite parties and the intensely private daughter of a media tycoon, dated Epstein in the 1990s.**

**PalmBeachPost.com**

Read previous stories on the Epstein investigation.

"The odd thing is I never met him," said Dominick Dunne, the famous chronicler of the trials and tribulations of the very rich. "I wasn't even aware of him," except for a *Vanity Fair* article.

Epstein's friendship with Clinton has attracted the most attention.

Epstein met Clinton as early as 1995, when he paid tens of thousands of dollars to join him at an intimate fund-raising dinner in Palm Beach. But from all appearances, they did not become close friends until after Clinton left the Oval Office and moved to New York.

Epstein has donated more than \$100,000 to Democratic candidates' campaigns, including John Kerry's presidential bid, the reelection campaign of New Mexico Gov. Bill Richardson and the Senate bid of

A former friend claimed Epstein backed out of a promise to reimburse him hundreds of thousands of dollars after their failed investment in Texas oil wells. A judge decided Epstein owed him nothing.

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### Police into

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teenage girl after a high school drama performance. Others were given rental cars. One, according to police, received a \$200 Christmas bonus.

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In Orlando they interviewed a possible victim who told them nothing inappropriate had happened between her and Epstein. They asked her whether she had spoken to anyone else. She said yes; a private investigator had asked her the same questions.

When they subpoenaed one of Epstein's former employees, he told them the same thing. He and a private eye had met at a restaurant days earlier to go over what the man would tell investigators.

Detectives received complaints that private eyes were posing as police officers. When they told Epstein's local attorney, Guy Frons- tin, he said the investigators worked for Roy Black, the high-powered Miami lawyer who has defended the likes of Rush Limbaugh and William Kennedy Smith.

While the private eyes were conducting a parallel investigation, Dershowitz, the Harvard law professor, traveled to West Palm Beach with information about the girls. From their own profiles on the popular Web site MySpace.com, he obtained copies of their discussions about their use of alcohol and marijuana.

He took his research to a meeting with prosecutors in early 2006, where he sought to cast doubt on the teens' reliability.

The private eyes had dug up

with a minor, Epstein was charged with one count of felony solicitation of prostitution, which carries a maximum penalty of five years in prison. He was booked into the Palm Beach County Jail early July 23 and released hours later.

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"They are incapable of being believed," he said. "They had criminal records. They had accusations of theft made against them by their employers. There was evidence of drug use by some of them."

What remains for Epstein is yet to be seen.

The Palm Beach Police Department has asked the FBI to investigate the case. It also has returned the \$90,000 Epstein donated in 2004.

In New York, candidates for governor and state attorney general have vowed to return a total of at least \$60,000 in campaign contributions from Epstein. Meanwhile, Epstein's powerful friends have remained silent as tabloids and Internet blogs feast on the public details of the police investigation.

Goldberger maintains Epstein's innocence but says the legal team has not ruled out a future plea deal. He insists Epstein will emerge in the end with his reputation untarnished.

"He will recover from this," he said.

Staff writer Larry Keller and staff researchers Bridget Bulger, Angelica Cortez, Amy Hanaway and Melanie Mena contributed to this story.

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Have you he that VYTORI

the region, Ahmadinejad said: "We see that it is not responding to atrocities. If we search for the root causes, we see the hand of the British and the Americans." CBS newsmen Mike Wallace conducted the long sought-after interview with Iran's president in Tehran. It came 27 years after Wallace's chilling sit-down with Ayatollah Khomeini. Patrols stepped up near Michigan bridge CARO, Mich.—The U.S. Coast Guard has increased patrols near the bridge connecting Michigan's upper

on Manhattan's Upper East Side. It is reported to have, among its finer features, closed-circuit television and a heated sidewalk to melt away fallen snow.

That townhouse, thought to be the largest private residence in Manhattan, is only a piece of the extravagant world Epstein built over time.

In New Mexico, he constructed a 27,000-square-foot hilltop mansion on a 10,000-acre ranch outside Santa Fe. Many believed it to be the largest home in the state.

In Palm Beach, he bought a waterfront home on El Brillo Way. And he owns a 100-acre private island in the Virgin Islands.

Perhaps as remarkable as his lavish homes is his extensive network of friends and associates at the highest echelons of power. This includes not only socialites but also business tycoons, media moguls, politicians, royalty and Nobel Prize-winning scientists whose research he often funds.

"Just like other people collect art, he collects scientists," said Martin Nowak, who directs the Program for Evolutionary Dynamics at Harvard University and was reportedly the recipient of a \$30 million research donation from Epstein.

Epstein is said to have befriended former Harvard President Larry Summers, prominent law Professor Alan Dershowitz, Donald Trump and *New York Daily News* Publisher Mort Zuckerman.

And yet he managed for decades to maintain a low profile. He avoids eating out and was rarely photographed.

even aware of him, except for a *Vanity Fair* article.

Epstein's friendship with Clinton has attracted the most attention.

Epstein met Clinton as early as 1995, when he paid tens of thousands of dollars to join him at an intimate fund-raising dinner in Palm Beach. But from all appearances, they did not become close friends until after Clinton left the Oval Office and moved to New York.

Epstein has donated more than \$100,000 to Democratic candidates' campaigns, including John Kerry's presidential bid, the reelection campaign of New Mexico Gov. Bill Richardson and the Senate bids of Joe Lieberman, Hillary Rodham Clinton, Christopher Dodd and Charles Schumer.

### Powerful friends and enemies

A *Vanity Fair* profile found cracks in the veneer of Epstein's life story. The 2003 article said he left Bear Stearns in the wake of a federal probe and a possible Securities and Exchange Commission violation. It also pointed out that Citibank once sued him for defaulting on a \$20 million loan.

The article suggested that one of his business mentors and previous employers was Steven Hoffenberg, now serving a prison term after "bilking investors out of more than \$450 million in one of the largest Ponzi schemes in American history."

As he amassed his wealth, Epstein made enemies in disputes both large and small. He sued the man who in 1990 sold him his multimillion-dollar Palm Beach home over a dispute about less than \$16,000 in furnishings.

in Texas oil wells. A judge decided Epstein owed him nothing.

"It's a bad memory. I would rather not have ever met Jeffrey Epstein," said Michael Stroll, the retired former president of Williams Electronics and Sega Corp. "Suffice it to say I have nothing good to say about him."

Among the characteristics most attributed to Epstein is a penchant for women.

He has been linked to Maxwell, a fixture on the high-society party circuits in both New York and London. Previous girlfriends are said to include a former Ms. Sweden and a Romanian model.

"He's a lot of fun to be with," Donald Trump told *New York* magazine in 2002. "It is even said that he likes beautiful women as much as I do, and many of them are on the younger side. No doubt about it, Jeffrey enjoys his social life."

### Investigation leads to Epstein

Although he was not a frequenter of the Palm Beach social scene, he made his presence felt. Among his charitable donations, he gave \$90,000 to the Palm Beach Police Department and \$100,000 to Ballet Florida.

In Palm Beach, he lived in luxury. Three black Mercedes sat in his garage, alongside a green Harley-Davidson. His jet waited at a hangar at Palm Beach International Airport. At home, a private chef and a small staff stood at the ready. From a window in his mansion, he could look out on the Intracoastal Waterway and the West Palm Beach skyline. He seemed to be a man who had everything.

But extraordinary wealth can

teenage girl drama performed given rental police, receive bonus.

The cops case. But as noose, the forces at work.

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Photographs by Peter DaSilva for The New York Times

ly large crowd of brides- and grooms-to-be dashed to the y Marriage License Bureau just before midnight on Friday.

ity were sent notices of and asked for feedback, irre said, but she had We had an open public no one showed up," she ally puzzling to me."

, the city's marriage bustling. There were y, flowing gowns, some ers looking slightly ter- couple — he with a cigar ween his teeth, she un- ere wed under a tree at lite Chapel. When it was le gave her groom a pat

ght, outside the wedding au in the courthouse, ink neon lettering above "chapel rats," so called erty guards for their tling of chapel services bewildered couples, ne couples were riddy.

or drive in. They think, 'Well, we need to do this, there are no lines, let's just do it now.'"

Weddings have been a mainstay of the Las Vegas experience since the 1920's, taking off with the widespread use of the automobile in the 1940's, when the Hitching Post and the Wee Kirk o' the Heather opened their doors. Inspired by the lax licensing laws — no blood test, no waiting — couples flocked from around the region, and eventually the country, to wed.

Among the earliest celebrity clients were the actors Clara Bow and Rex Bell, who tied the knot here in 1931, said Guy Rocha, the state archivist.

Just like its casinos, restaurants, hotels and adult entertainers, Las Vegas wedding chapels cater to all tastes. Couples can combine a wedding with a day package to the most

## Florida Sex Case Raises Questions About Charges

By ABBY GOODNOUGH

PALM BEACH, Fla. — In the summer and autumn of last year, when most of the mansions here stood empty behind their towering hedges, the police stealthily watched one at the end of a waterside lane. They monitored the comings and goings of its owner's private jet, subpoenaed his phone records and rifled through his trash.

The owner was Jeffrey Epstein, 53, an intensely private New York money manager with several billionaire clients. Months earlier, the stepmother of a 14-year-old girl told the Palm Beach police that a wealthy older man, whom the girl later identified as Mr. Epstein, might have had inappropriate sexual contact with her.

In sworn statements to the police, the 14-year-old and other teenage girls said a friend had arranged for them to visit Mr. Epstein's home and give him massages, usually in their underwear, in exchange for cash.

Most of the girls, according to the police, said Mr. Epstein had masturbated during the massages, and a few said he had penetrated them with his fingers or penis. They identified him in photos and accurately described the inside of his home. Some recalled that his employees had fed them snacks or rented them cars.

Mr. Epstein pleaded not guilty in August to the crime he was ultimately charged with, soliciting prostitution. But at a time when prosecutors around the nation have become increasingly severe in dealing with people accused of sex offenses, the case has raised questions about whether Mr. Epstein's prominence won him preferential treatment.

By the account of the police, they found probable cause to charge Mr. Epstein with much more serious offenses: one count of lewd and lascivious molestation and four counts of unlawful sexual activity with a minor.

But instead of proceeding with such charges on his own, the Palm Beach County state attorney took the rare step of presenting a broad range of possible charges to a grand jury, which indicted Mr. Epstein in July on the lesser count. In Florida, prosecutors usually refer only capital cases to grand juries.

Even before the indictment, the Palm Beach police chief, Michael Reiter, had accused prosecutors of giving Mr. Epstein special treatment and asked the state attorney, Barry E. Krischer, to remove himself from

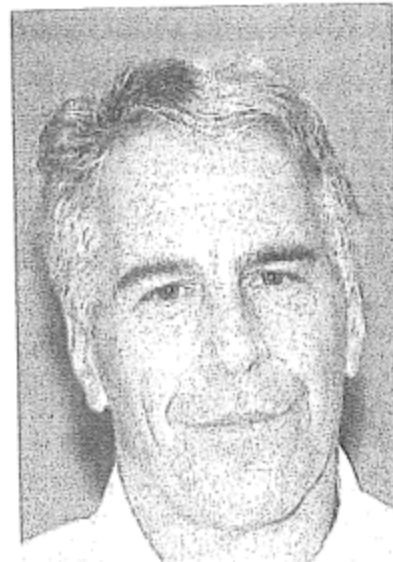
college student, told the girl to say she was 18 if Mr. Epstein asked, the report said.

The girl told the police that Mr. Epstein's assistant had led her upstairs to a room with a massage table and that Mr. Epstein had come in and told her to remove her clothes. She said Mr. Epstein had masturbated as she massaged him, had pressed a vibrator against her underwear and had given her \$300 afterward.

In October, the police interviewed Ms. [REDACTED] then 19, who told them Mr. Epstein had routinely paid her to bring teenage girls to his home. The police then interviewed a total of 5 alleged victims and 17 witnesses, many of whom told similar stories about what they had observed or participated in at Mr. Epstein's home. According to the report, at least one said Mr. Epstein had engaged in intercourse with her.

Mr. Lefcourt, his lawyer, said one girl who told the police of having had sex with Mr. Epstein as a minor had lied about both the sex and her age and had not shown up for grand jury questioning. He also said Mr. Epstein had passed a lie-detector test clearing him of any sexual involvement with under-age girls.

A spokeswoman for the Palm Beach police said that early this year, the police went to Mr. Krischer, the state attorney, intending to apply for warrants to arrest Mr. Epstein. Instead, she said, they were told that



Palm Beach County Sheriff's Office

Jeffrey Epstein faces lesser charges than police wanted.

Mr. Krischer would convene a grand jury to examine the evidence and de-

Williams, the affable keeps careful watch over, said that scores more in normal showed up Fri- ing the closing hour. deadline won't stop drunk m getting married in the night," Mr. Williams said. w up drunk all day long. I from getting married." aguire said the majority who showed up for a wed- se during the graveyard o intention of racing off to d anyway. "We think there nception here," she said. le coming in during those normally not planning im- night weddings, they fly in

through a chapel in a limo for a five- minute ceremony. For \$365, you can get in the spirit of Lancelot, or step out of a coffin and bare fangs at your betrothed during a gothic ceremony.

Several chapel owners said they were indifferent to the change. "They probably were losing money, and there is no point in it," said the Rev. David Nye, who is a co-owner of A Las Vegas Wedding Chapel.

"Who would this affect? Britney Spears, that's all," Mr. Nye said. "I am not sure why there is a contro- versy. Most people are shocked to death that it was open in the middle of the night to begin with. If 8 to mid- night isn't enough, I don't know what is."

Tell that to poor Mr. Harris.

## ries for Indian Veterans

Defense Department's most y, from December 2005. By 2006, there will be an esti- 361 Native American vet- ering to the . The Na- tive American Veterans As- estimates that 22 percent of ericans 18 years or older ins.

about recognizing that it's states that have rights — ), should have rights," Mr. l in a recent interview.

re 562 federally recognized he United States. New Mex- has 22 tribal reservations, ppulation of Mr. Udall's dis- percent Indian.

ing the importance of be-

ing buried close to home, Thomas Berry, a Navy veteran and a founder of the two-year-old National Native American Veterans Association, said tribes have sacred ceremonies and rituals to honor the dead and ease passage into the next life.

"If a Native American is buried in a national cemetery, a lot of the ritu- als cannot be performed because of coding restrictions and regulations," Mr. Berry said. "So it's important to us to have a place on tribal land to bury our veterans."

Leo Chischilly, 57, the department manager for the Department of Navajo Veterans Affairs in the Navajo capital, Window Rock, Ariz., said having veterans' cemeteries on tribal land was a matter of practicality as well as tradition.

"The Navajo Nation would like to bury their loved ones within the four sacred mountains on Navajo land," Mr. Chischilly said. "But the closest veterans' cemetery is in Santa Fe, N.M., four hours' drive from Window Rock. Some families visit the grave sites on Veterans Day or Memorial Day, but most people would prefer something closer to home."

Some reservations have cemeteries dedicated to veterans, but they are maintained and paid for by the tribal organization or volunteers, not by the .

Fort Defiance Veterans Cemetery in Arizona is one such example. It is full with more than 300 graves of Navajo veterans.

Ten acres have been set aside in Chinle, Ariz., for a new veterans' cemetery, Mr. Chischilly said, but money is needed.

"Hopefully if President Bush signs the legislation we can submit a pro- posal to get a veterans' cemetery on the Navajo Nation," Mr. Chischilly said. "We'll be able to provide the land, but we will have to get other sources of funding for the opera- tional costs."

In an editorial, The Palm Beach Post attacked Mr. Krischer, a Demo- crat whose post is elective, saying the public had been left "to wonder whether the system tilted in favor of a wealthy, well-connected alleged perpetrator and against very young girls who are alleged victims of sex crimes."

The case has taken a toll on the reputation of Mr. Epstein, who owns a palatial home in Manhattan, has pledged \$30 million to Harvard and once flew former President Bill Clinton on his 727. Politicians including Eliot Spitzer, a Democratic candi- date for governor in New York, and Gov. Bill Richardson of New Mexico, also a Democrat, have returned campaign contributions from him.

But Mr. Epstein fought back, as- sembling a team of star lawyers, in- cluding Gerald B. Lefcourt and Alan M. Dershowitz, a friend of his, to look into the backgrounds of his young ac- cusers.

Mr. Lefcourt says that the police acted "outrageously" and that his client has been wrongfully dragged through the mud.

"He disputes that he ever had sex with any under-age person or any- thing like that," said Mr. Lefcourt, whose clients have included Russell Crowe, Martha Stewart and Abbie Hoffman.

Neither the police nor the state at- torney's office would discuss the case in detail. But the police released a thick report on the 13-month in- vestigation after the indictment was unsealed in late July.

The police started investigating Mr. Epstein in March 2005, almost immediately after they were con- tacted by the stepmother of the 14- year-old, who, according to the re- port, was in a special school for stu- dents with disciplinary problems.

The girl, the report said, told the police that an older friend had "of- fered her an opportunity to make money" and had driven her to Mr. Epstein's house one Sunday. The friend, identified by the police as a local community

side whet charges, if any, to bring. Around that time, the police report said, Mr. Dershowitz met with pros- ecutors to share information about the accusers, including statements they had posted on MySpace.com, the social networking site, concern- ing use of drugs and alcohol. Ac- cording to the report, Mr. Krischer's office then decided to delay the grand jury session for several months.

The Palm Beach police grew frus- trated, the report said, and on May 1 the department asked prosecutors to approve warrants to arrest Mr. Ep- stein.

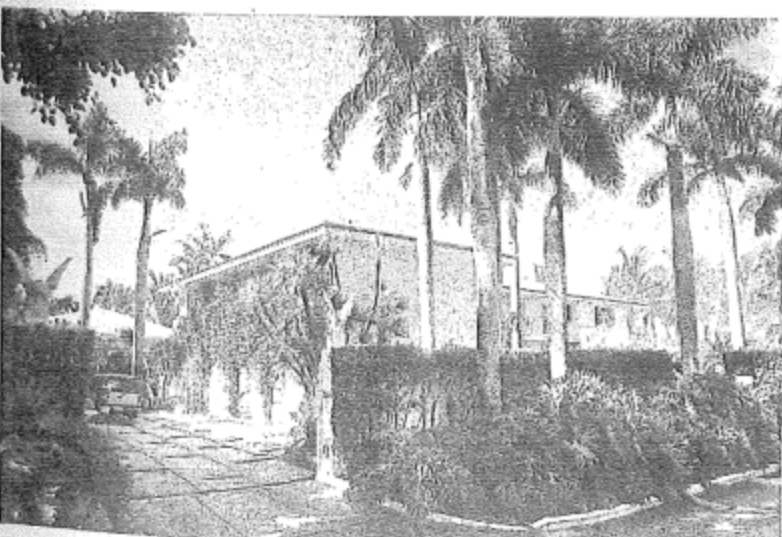
Chief Reiter also wrote Mr. Krischer questioning "the unusual course that your office's handling of this matter has taken" and suggest- ing that Mr. Krischer disqualify him- self. Chief Reiter refused several re- quests to be interviewed, and his spokeswoman would not say explici- tly why he had urged the prosecutor to step aside.

Mike Edmondson, a spokesman for Mr. Krischer, said the state at- torney's office sometimes sent non- capital cases to grand juries when there were questions about witness credibility. Mr. Krischer does not recommend a particular charge in such cases, Mr. Edmondson said, but gives the grand jury a list of possible charges.

Bruce J. Winick, a law professor at the University of Miami, said that while prosecutors in Florida rarely referred noncapital cases to grand juries, they sometimes did so with sensitive cases to be extra-cautious.

Mr. Lefcourt said the police were wrong to have released the report so soon, especially without correcting information that later proved wrong. He cited his assertion that one accus- er had lied about her age, adding that she had also been arrested on drug charges and had been fired by her employer for stealing.

"What I'm trying to focus on," Mr. Lefcourt said, "is, What's motivating the selective and misleading release of information to the public?"



Mr. Epstein is said to have had teenage girls brought to his home.

Scott Wiseman for The New York Times



more than 300 graves.





Staff photos by DAMON HIGGINS

**GREENACRES** — Michael Shible waves an Israeli flag as a rally supporting Israel's war effort in Lebanon gets under way Sunday at Temple Beth Tikvah. The public was invited to hear speakers including Michael Hadar, executive director of the Friends of the Israel Defense Forces, and Col. Udi Sharon of the Israel Defense Forces. At the close of the rally, a man (right) participates in a congregational reading of a prayer for the state of Israel.



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is downside: Repub- mission hopeful Ed st moved into west- he could run, at Debate. He never epherd said, I moved out to my yal Palm Beach, all t."

# Palm Beach chief focus of fire in Epstein case

## Defendant's lawyers take him on; he slams state attorney

By LARRY KELLER  
Palm Beach Post Staff Writer

In the case of Palm Beach financier Jeffrey Epstein, it seems, at times, as if two men are accused of wrongdoing: Epstein and Palm Beach Police Chief

Michael Reiter. Epstein, 53, was indicted last month on a charge of felony solicitation of prostitution solely because of Reiter's "craziness," one of Epstein's lawyers said. His department disseminated

"a distorted view of the case" and behaved in a "childish" manner when the grand jury didn't indict Epstein on the charges it sought, another Epstein lawyer complained. To hear the Epstein

camp tell it, Reiter, 48, is a loose cannon better suited to be the sheriff of Mayberry. They whisper that he's embroiled in a messy divorce.

Reiter did in fact file for divorce from his wife, Jill, last year, after 24 years of marriage. They have a son,

Reiter incurred the wrath of the Epstein camp as well as the state attorney. See REITER, 7B ▶

## Grieving for Mom, sister

LAKE WORTH — Jane Tackabery's son, John,

**ELECTIONS 2006**

*State House District 78*

**Machek faces challenge**  
Call for Democrat

# Colleagues cite chief's professionalism, integrity

► REITER from 1B

ney's office for two reasons. First, he pressed for Epstein to be charged with the more serious crimes of sexual activity with minors. Second, he slammed State Attorney Barry Krischer in blunt language seldom used by one law-enforcement official concerning another because of what he perceived as that office's mishandling of the case.

In a letter to Krischer written May 1, Reiter called his actions in the Epstein case "highly unusual." He added, "I must urge you to consider if good and sufficient reason exists to require your disqualification from the prosecution of these cases."

In short, Reiter told the county's top prosecutor for the past 13 years that he ought to get off the case. "It looks like a departure from

professionalism," Miami-Dade State Attorney Katherine Fernandez Rundle said of Reiter's letter.

Following Epstein's indictment, Reiter referred the case to the FBI to determine whether the super-rich, super-connected defendant had violated any federal laws.

Reiter won't discuss the case or the broadsides aimed at him. But others almost uniformly use one word to describe the chief: professional.

"I have always been impressed by Mike's professionalism and his leadership," said Rick Lincoln, chief of the Lantana Police Department and a Palm Beach County cop for 32 years.

"The town of Palm Beach has a very professional police department. We all consider Mike to be our peer and a man of integrity."



Reiter: Town Manager Peter Elwell says the Palm Beach police chief's well worth his \$144,000 salary.

Juno Beach Police Chief H.C. Clark II agreed. Although he doesn't know Reiter well, he has met with him on countywide law enforcement issues. "I've never seen him lose his cool. I've never seen anything but a professional demeanor from him."

Reiter joined the Palm Beach Police Department in 1981, leaving a \$20,000-a-year patrol job at the University of Pittsburgh. His personnel jacket shows consistently excellent job evaluations.

Posh Palm Beach is no hotbed of crime, and in his first year on the job, a resi-

dent confined to his home with a sick child thanked Reiter for delivering a few Cokes to the house. Reiter refused payment for the beverages. Another resident thanked Reiter for shutting off his car's headlights in his driveway, saying a valet must have been at fault.

Reiter worked everything from road patrol to organized crime, vice and narcotics. And he's no novice at investigations involving the island's rich and famous. He was the lead detective probing the drug overdose death of David Kennedy in 1984. He also was one of the officers who worked the investigation of William Kennedy Smith, who was charged in 1991 — and later acquitted — with raping a woman at the Kennedy family compound in Palm Beach.

Reiter, who has a master's degree in human resource

development from Palm Beach Atlantic University, also has attended the FBI National Academy in Quantico, Va., and management courses at Harvard. He's been active in countywide interagency law enforcement organizations and has a "top secret" national security clearance.

"He has a perspective that's broader than just addressing the needs of the town," said Town Manager Peter Elwell, who promoted Reiter from assistant chief to chief in March 2001. Reiter makes more than \$144,000 as the town's top cop. Elwell thinks he's worth it.

"He's very businesslike, very straightforward. He's not easily agitated or flamboyant. He's about the work," Elwell said. "I think that his service as chief has been outstanding in five-plus years."

© Larry Kelleher@pbpost.com

**'(Many lawmakers have) challenged same-party Democrats because they believed they could do a better job. I'm no exception to that.'**

STEVE PERMAN, Boca Raton chiropractor

**'I want to go back for my last two years and complete a lot of these things which are so vital for Southeast Florida.'**

RICHARD A. MACHEK, District 78 incumbent

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value of the property jumped by 25 percent over last year — helping to bring in about \$14 million of new money to be spent — city commissioners are gearing up for a debate on whether to decrease the tax rate.

The result of that debate

could reshape the early budget draft, which was released this week.

A budget workshop is scheduled for Aug. 24, to be followed by public hearings Sept. 6 and 18. But by the time the public hearings are held, cities traditionally don't make many significant changes.

As it stands now, here are the key new items and capital projects in the \$358 million budget.

■ \$333,000 for seven new police positions, including three new officers and four civilian staffers who will free up officers to do more actual policing.

■ \$1 million on youth programs. Mayor Lois Frankel said this is all new revenue. But she is only sure how \$400,000 of that will be spent. It's been set aside for two "youth empowerment centers" that will provide job training, help with school-

teenagers.

■ \$2.2 million on curb, street, and sidewalk repair around the city.

■ \$1 million for city road entryways and landscaping.

■ \$500,000 on park improvements, including re-vamping the ball fields at Phipps Park.

■ \$120,000 to create a strategy for redeveloping the

See BUDGET, 4B ►

## LONG LOCAL COMMUNITY



GARY CORONADO/Staff Photographer

ury him upside down': Hilda Araujo joins others at the Cuban American Club, dined Friday with her husband, Tony, in wishing the worst for Cuba's Fidel Castro.

ights of the 1960s and red in Palm Beach Coun-

urby table in the large din- here televisions broadcast guage programming, Hil-

da Araujo, 68, expressed similar senti- ments while eating codfish fricassee with rice and black beans, she said she thinks Castro is either dead or on his support.

See CUBAN CLUB, 4B ►

## Expert: Ignorance of age isn't defense in sex cases

By LARRY KELLER  
Palm Beach Post Staff Writer

Even if Palm Beach money manager Jeffrey Epstein didn't know that girls who police say gave him sexual massages at his Intracoastal home were under the legal age, that alone wouldn't have exempted him from criminal charges of sexual activity with minors.

"Ignorance is not a valid defense," said Bob Dekle, a legal skills professor who was a Lake City prosecutor for nearly 30 years, half of that time specializing in sex crimes against children.

"There is no knowledge element as far as the age is concerned," Dekle said.

After an 11-month investigation, Palm Beach police said there was probable cause to charge Epstein, 53, with unlawful sex acts with a minor



Epstein: Two politicians have returned dona- tions since he was charged with soliciting minors.

and lewd and lascivious molestation. They contend that Epstein — friend of the rich and famous and financial patron of Democratic Party organizations and candidates — committed those acts with five underage girls.

In the past week, New York Attorney General and gubernatorial candidate Eliot Spitzer has returned about \$50,000 in campaign contributions he received from Epstein, and Mark Green, a candidate to replace Spitzer in

See EPSTEIN, 5B ►

Emily J. Minor's column will return soon.

ree schools after appeals, 3B

Gunfire scatters crowd at National Bikers Roundup, 3B



# Lawyer: Jurors often believe adults over ki

► EPSTEIN from 1B

his current job, has returned \$10,000 to him because of the Palm Beach scandal, the *New York Daily News* has reported.

Rather than file charges, the state attorney's office presented the case to a county grand jury. The panel indicted Epstein last week on a single, less serious charge of felony solicitation of prostitution.

The case raised eyebrows because the state attorney's office rarely, if ever, kicks such charges to a grand jury. And it increases the difficulty of prosecuting child sex abuse cases, especially when the defendant is enormously wealthy and can hire high-priced, top-tier lawyers.

At least one of Epstein's alleged victims told police he knew she was underage when the two of them got naked for massages and sexual activity. She was 16 years old at the time and said Epstein asked her questions about her high school, according to police reports.

A girl who said she met Epstein when she was 15 said he told her if she told anybody what happened at his house, bad things could happen, the police reports state.

Epstein's youngest alleged victim was 14 when she says she gave him a massage that included some sexual activity. She is now 16. The girl's father says he doesn't know whether she told Epstein her age.

"My daughter has kept a lot of what happened from me because of sheer embarrassment," he said. "But she very much looked 14. Any prudent man would have had second thoughts about that."

Defense attorney Jack Goldberger maintains that not only did Epstein pass a polygraph test showing he did not know the girls were minors, but their stories

## Child sex abuse cases often are difficult to prosecute, an attorney says.

If two teens are in a sexual relationship and the boy turns 18 before the girl, he could be charged with a sex crime if the sex continues. There would be no public interest in pursuing that, Dekle said.

But where there is a large gap in ages — and especially in cases of teachers with students — there is a public interest in prosecuting, he said. Likewise if the accused has a track record of sex with minors.

Still there is a "universal constant" in prosecuting these cases, Dekle said. Men who exploit underage children for sex often carefully choose their victims in ways that will minimize the risk to them, he said.

Victims usually are from a lower social status, and they

may suffer from psychological problems, Dekle said.

"Lots of child sexual abuse victims have been victimized by multiple people over a period of time. Then the act of abuse produces behavior in the victims that further damages their credibility." Examples include promiscuous behavior and drug abuse.

Some of the alleged victims in the Epstein case returned to his home multiple times for the massage sessions and the \$200 to \$300 he typically paid them per visit. "That would be a definite problem for the prosecutor," said Betty Resch, who prosecuted crimes against children in Palm Beach County for five years and now is in private practice in Lake Worth.

"The victim becomes less sympathetic" to a jury, Resch said. "But she's a victim nevertheless. She's a kid."

Most men charged with sex crimes against minors look normal, Dekle said. A jury expecting to see a monster seldom will. And the vic-

tims' ages work against and in favor of the defense in a trial, Dekle said.

If a child and an adult tell different stories and swear they're telling truth, adult jurors are likely to believe the adult, Dekle said.

"You have all these people working against you in a sex abuse case. Prosecutors normally try to be very careful in filing those cases because they know what they're getting into. There is nothing as an iron-clad sexual abuse case."

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# STORM

## 2006



The Post's Storm 2006 Web site will use every resource to keep you informed... and safe. Log on anytime.



**Females Over 55**

# STILL

# SI CON CA

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Defense attorney Jack Goldberger maintains that not only did Epstein pass a polygraph test showing he did not know the girls were minors, but their stories weren't credible. The state attorney's office also implied that their credibility was an issue when it decided not to charge Epstein directly, but instead give the case to the grand jury.

"A prosecutor has to look at it in a much broader fashion," a state attorney's spokesman said last week.

Epstein hired Harvard law Professor Alan Dershowitz when he became aware he was under investigation, and Dershowitz gave prosecutors information that some of the alleged victims had spoke of using alcohol and marijuana on a popular Web site, according to a Palm Beach police report.

Prosecutors typically consider two things in deciding whether to charge somebody with sex-related offenses against minors — whether there is sufficient evidence and whether there is a public interest in doing so, Dekle said.

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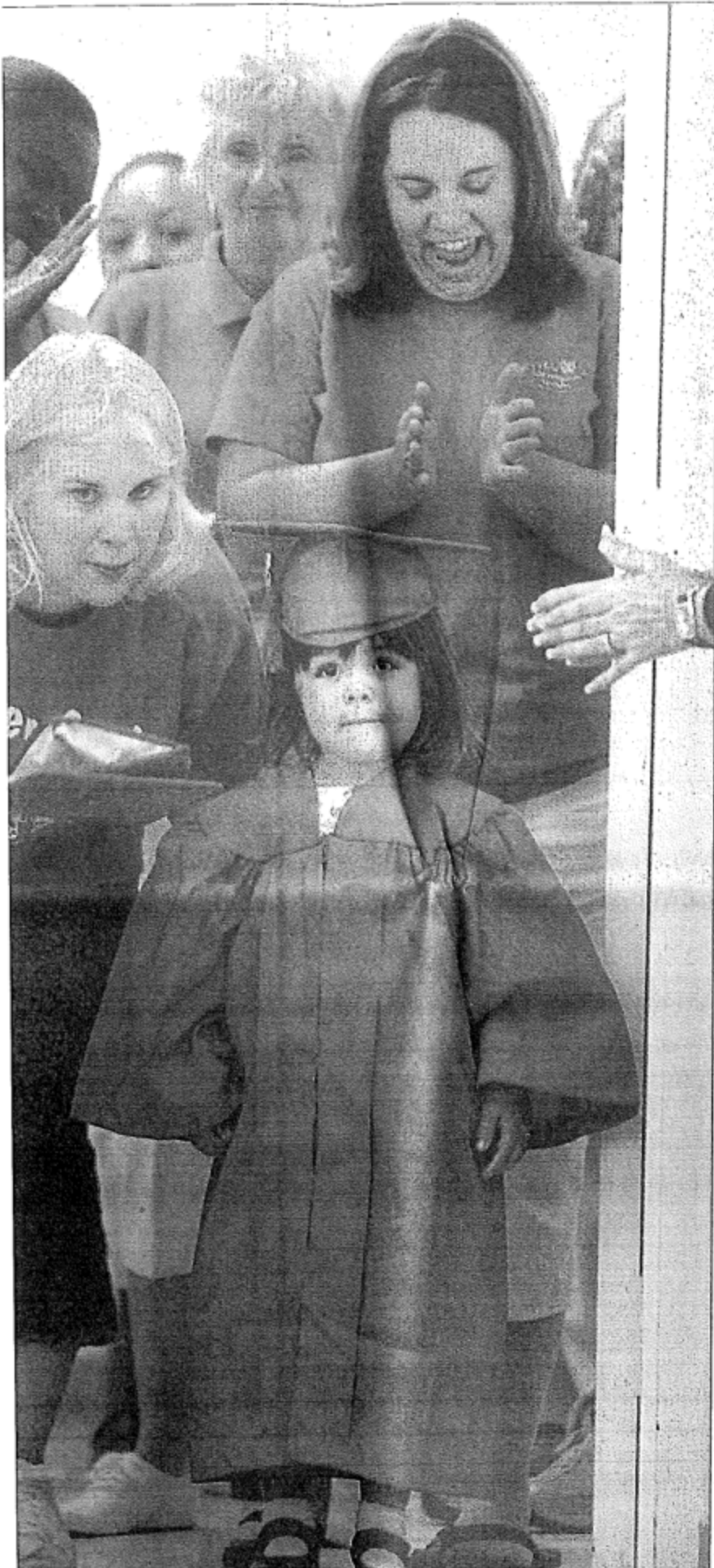
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## Bye-bye preschool



# Police say lawyer tried to discredit teenage girls

By LARRY KELLER  
*Palm Beach Post Staff Writer*

Famed Harvard law professor Alan Dershowitz met with the Palm Beach County State Attorney's Office and provided damaging information about teenage girls who say they gave his client, Palm Beach billionaire Jeffrey Epstein, sexually charged massages, according to police reports.

The reports also state that another Epstein attorney agreed to a plea bargain that would have allowed Epstein to have no criminal record. His current attorney denies this happened.

And the documents also reveal that the father of at least one girl complained that private investigators aggressively followed his car, photographed his home and chased off visitors.

Police also talked to somebody who said she was offered money if she refused to cooperate with the Palm Beach Police Department probe of Epstein.

The state attorney's office said it presented the Epstein case to a county grand jury this month rather than directly charging Epstein because of concerns about the girls' credibility. The grand jury indicted Epstein, 53, on a single count of felony solicitation of prostitution, which carries a maximum penalty of five years in prison.

Police believed there was probable cause to charge Epstein with the more serious crimes of unlawful sex acts with a minor and lewd and lascivious molestation. Police Chief Michael Reiter was so angry that he wrote State Attorney Barry Krischer a memo in May suggesting he disqualify himself from the case.

The case originally was going to be presented to the grand jury in February, but was postponed after Dershowitz produced information gleaned from the Web site myspace.com showing some of the alleged victims commenting on alcohol and marijuana use, according to the police report prepared by Detective Joseph Re-

carew [REDACTED] a 20-year-old Royal Palm Beach woman who told police she



**Epstein:** His former attorney agreed to a plea bargain, police say.





DAMON HIGGINS/Staff Photographer

ACH — Hana Young, 3, receives some instructions Friday from Easter Kristi Wilson before marching down the aisle during her preschool ceremony. Most of the graduates now will enter kindergarten.

orbids woman's testimony

By LARRY KELLER  
Palm Beach Post Staff Writer

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The case originally was going to be presented to the grand jury in February, but was postponed after Dershowitz produced information gleaned from the Web site myspace.com showing some of the alleged victims commenting on alcohol and marijuana use, according to the police report prepared by Detective Joseph Recarey.

██████████, a 20-year-old Royal Palm Beach woman who told police she recruited girls for Epstein, also is profiled on myspace.com. Her page includes photos of her and her friends, including one See EPSTEIN, 7B ▶

Turnpike to tap  
into information  
superhighway



# Polygraph shows he didn't know girls' ages, lawyer says

## ► EPSTEIN from 1B

using the name "Pimpin' Made EZ." [redacted], who was not charged in the case, is a potential prosecution witness.

According to Recarey, prosecutor Lanna Belohlavek offered Epstein attorneys Dershowitz and Guy Fronstin a plea deal in April. Fronstin, after speaking with Epstein, accepted the deal, in which Epstein would plead guilty to one count of aggravated assault with intent to commit a felony, be placed on five years' probation and have no criminal record. The deal also called for Epstein to submit to a psychiatric and sexual evaluation and have no unsupervised visits with minors, according to Recarey's report. The plea bargain was made in connection with only one of the five alleged victims, the report states.

Fronstin — who declined to comment on the case — was subsequently fired and veteran defense attorney Jack Goldberger was hired. He denies there was any agreement by any of Epstein's attorneys to a plea deal.

"We absolutely did not agree to a plea in this case," he said. Neither Belohlavek nor a state attorney's spokesman could be reached for comment.

The parent or parents of alleged victims who com-

plained of being harassed by private investigators provided license tag numbers of two of the men. Police found the vehicles were registered to a private eye in West Palm Beach and another in Jupiter, according to Recarey's report.

"I have no knowledge of it," defense attorney Goldberger said.

The report also says a woman connected to the Epstein case was contacted by somebody who was still in touch with Epstein. That person told her she would be compensated if she didn't cooperate with police, Recarey's report says. Those who did talk "will be dealt with," the woman said she was told. Phone records show the woman talked with the person who allegedly intimidated her around the time she said, Recarey reported.

Phone records also show that the person said to have made the threat then placed a call to Epstein's personal assistant, who in turn called a New York corporation affiliated with Epstein, the report states.

The issue in the Epstein case is not whether females came to his waterfront home, but whether he knew their ages.

"He's never denied girls came to the house," Goldberger said. But when Epstein was given a polygraph

test, "he passed on knowledge of age," the attorney said.

After the indictment against Epstein was unsealed this week, Police Chief Reiter referred the matter to the FBI. "We've received the referral, and we're reviewing it," said FBI spokeswoman Judy Orihuela in Miami.

The chief himself has come under attack from Epstein's lawyers and friends in New York, where he has a home. The *New York Post* quoted Epstein's prominent New York lawyer, Gerald Lefcourt, as saying his client was indicted only "because of the craziness of the police chief."

Reiter has declined to comment on the case.

Prosecutors have not presented a sex-related case like Epstein's to a grand jury before, said Mike Edmondson, spokesman for the state attorney's office. "That's what you do with a case that falls into a gray area," he said.

The state attorney's office did not recommend a particular criminal charge on which to indict Epstein, Edmondson said. The grand jury was presented with a list of charges from highest to lowest, then deliberated with the prosecutor out of the room, he said.

"People are surprised at the grand jury proceeding," West Palm Beach defense attorney Richard Tendler

said. "It's a way for the prosecutor's office to not take the full responsibility for not filing the (charge), and not doing what the Palm Beach Police Department wanted. I think something fell apart with those underage witnesses."

Defense attorney Robert Gershman was a prosecutor for six years. "Those girls must have been incredible or untrustworthy, I don't know," he said.

Other attorneys said Epstein's case raises the issue of whether wealthy, connected defendants like Epstein — whose friends include former President Clinton and Donald Trump — are treated differently from others. Once he knew he was the subject of a criminal probe, Epstein hired a phalanx of powerful attorneys such as Dershowitz and Lefcourt, who is a past president of the National Association of Criminal Defense Lawyers.

Miami lawyer Roy Black — who became nationally known when he successfully defended William Kennedy Smith on a rape charge in Palm Beach — also was involved at one point.

Said defense attorney Michelle Suskauer: "I think it's unfortunate the public may get the perception that with power, you may be treated differently than the average Joe."

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The PALM HOUSE  
at the Palm Beaches

Simkin, 27, also a yoga teacher.

The loss of talented teachers pains members of the local yoga community.

"It's a terrific thing for him, but it's terrible to have him leave," said Merrill Katz, who taught Simkin and sent her to Elsner for further training. "He's one of the most knowledgeable teachers we have in this area, and she was always very talented."

Elsner, who lives in Delray Beach, spe-

teaches Thai massage.

Simkin, of Boynton Beach, took her first yoga classes with Katz as a college student and almost immediately decided to become a teacher. She specializes in flow yoga, which, like Ashtanga, consists of a series of postures connected by breathing techniques.

They are not the first to make the

See YOGA, 6B ►



TAYLOR JONES/Staff Photographer

## or kicks

Sports British Soccer Camp at Okeetchee Beach; Blake Weger (center), 5, of Wellington; kicking drills.

# After long probe, billionaire faces solicitation charge

By LARRY KELLER  
Palm Beach Post Staff Writer

Palm Beach billionaire Jeffrey Epstein paid to have underage girls and young women brought to his home, where he received massages and sometimes sex, according to an investigation by the Palm Beach Police Department.

Palm Beach police spent months sifting through Epstein's trash and watching his waterfront home and Palm Beach International Airport to keep tabs on his private jet. An indictment charging Epstein, 53, was unsealed Monday, charging him with one count of felony solicitation of prostitution.

Palm Beach police thought there was probable cause to charge Epstein with unlawful sex acts with a minor and lewd and lascivious molestation.

Police Chief Michael Reiter was so angry with State Attorney Barry Krischer's handling of the case that he wrote a memo



Epstein

See EPSTEIN, 5B ►

## n newly negotiated proposal for beachfront

commission at 4 p.m. Thursday. If the commission approves the agreement, the city will take it to the county to secure \$5 million from a recreation bond that was slated for beach redevelopment three years ago. County commissioners extended the deadline until July 31 so the city could present a beach redevelopment plan to keep the bond money.

If city commissioners endorse the \$19.1

million plan, city staff will draft development, lease and financial agreements with Greater Bay over the next few weeks. Greater Bay proposes to overhaul the casino building, the pool and parking lot and provide landscaping.

This week, negotiations centered on the developer's and city's obligations for the project including fiscal, maintenance and

See BEACH, 6B ►

# Police kept watch on home, airport, sift

## ► EPSTEIN from 1B

suggesting the county's top prosecutor disqualify himself.

"I must urge you to examine the unusual course that your office's handling of this matter has taken and consider if good and sufficient reason exists to require your disqualification from the prosecution of these cases," Reiter wrote in a May 1 memo to Krischer.

While not commenting specifically on the Epstein case, Mike Edmondson, spokesman for the state attorney, said his office presents cases other than murders to a grand jury when there are questions about witnesses' credibility and their ability to testify.

By the nature of their jobs, police officers look at evidence from a "one-sided perspective," Edmondson said. "A prosecutor has to look at it in a much broader fashion," weighing the veracity of witnesses and how they may fare under defense attorneys' questioning, he said.

Epstein's attorney, Jack Goldberger, said his client committed no crimes.

"The reports and statements in question refer to false accusations that were not charged because the Palm Beach County state attorney questioned the credibility of the witnesses," Goldberger

said. A county grand jury "found the allegations wholly unsubstantiated and not credible," and that's why his client was not charged with sexual activity with minors, he said.

Goldberger said Epstein passed a lie detector test administered by a reputable polygraph examiner in which he said he did not know the girls were minors. Also, a search warrant served on Epstein's home found no evidence to corroborate the girls' allegations, Goldberger said.

According to police documents:

■ A Palm Beach Community College student said she gave Epstein a massage in the nude, then brought him six girls, ages 14 to 16, for massage and sex-tinged sessions at his home.

■ A 27-year-old woman who worked as Epstein's personal assistant also facilitated the liaisons, phoning the PBCC student to arrange for girls when Epstein was coming to town. And she escorted the girls upstairs when they arrived, putting fresh sheets on a massage table and placing massage oils nearby.

■ Police took sworn statements from five alleged victims and 17 witnesses. They contend that on three occasions, Epstein had sex with the girls.

## The chief's letter

See the letter Palm Beach Police Chief Michael Reiter wrote to State Attorney Barry Krischer on the Epstein case.

PalmBeachPost.com

A money manager for the ultra-rich, Epstein was named one of New York's most eligible bachelors in 2003 by *The New York Post*. He reportedly hobnobs with the likes of former President Clinton, former Harvard University President [REDACTED] Summers and Donald Trump, and has lavish homes in Manhattan, New Mexico and the Virgin Islands.

He has contributed tens of thousands of dollars to Democratic Party candidates and organizations, including Sen. John Kerry's presidential bid, and the Senate campaigns of Joe Lieberman, Hillary Clinton, Christopher Dodd and Charles Schumer.

Goldberger is one of five attorneys Epstein has retained since he became the subject of an investigation, Edmondson said. Among the others: Alan Dershowitz, the well-known Harvard law professor and author, who is a friend of Epstein. Dershowitz could not be reached for comment.

Police said the woman who enlisted young girls for Epstein was [REDACTED].

20, of Royal Palm Beach. Robson has worked at an Olive Garden restaurant in Wellington and said she was a journalism major at Palm Beach Community College when she was questioned by police last October. She has an unlisted phone number and could not be reached for comment.

[REDACTED] said she met Epstein when, at age 17, a friend asked her if she would like to make money giving him a massage. She said she was driven to his five-bedroom, 7½-bath home on the Intra-coastal Waterway, then escorted upstairs to a bedroom with a massage table and oils. Epstein and [REDACTED] were both naked during the massage, she said, but when he grabbed her buttocks, she said she didn't want to be touched.

Epstein said he'd pay her to bring him more girls—the younger the better, [REDACTED] told police. When she tried once to bring a 23-year-old woman to him, Epstein said she was too old, [REDACTED] said.

[REDACTED], who has not been charged in the case, said she eventually brought six girls to Epstein who were paid \$200 each time, [REDACTED] said. "I'm like a Heidi Fleiss," police quoted her as saying. The girls knew what to expect when they were taken to Epstein's home, [REDACTED] said.

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# in home, airport, sifted through trash

## The chief's letter

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[redacted], who has not been charged in the case, said she eventually brought six girls to Epstein who were paid \$200 each time, [redacted] said. "I'm like a Heidi Fleiss," police quoted her as saying. The girls knew what to expect when they were taken to Epstein's home, [redacted] said.

Give a massage — maybe naked — and allow some touching.

One 14-year-old girl Robson took to meet Epstein led police to start the investigation of him in March 2005. A relative of the girl called to say she thought the child had recently engaged in sex with a Palm Beach man. The girl then got into a fight with a classmate who accused her of being a prostitute, and she couldn't explain why she had \$300 in her purse.

The girl gave police this account of her meeting with Epstein:

She accompanied [redacted] and a second girl to Epstein's house on a Sunday in February 2005. Once there, a woman she thought was Epstein's assistant told the girl to follow her upstairs to a room featuring a mural of a naked woman, several photographs of naked women on a shelf, a hot pink and green sofa and a massage table.

She stripped to her bra and panties and gave him a massage.

Epstein gave the 14-year-old \$300 and she and the other girls left, she said. She said [redacted] told her that Epstein paid her \$200 that day.

Other girls told similar stories. In most accounts, Epstein's personal assistant at the time, Sarah [redacted], now 27, escorted the girls to Ep-

stein's bedroom.

[redacted], whose most recent known address is in North Carolina, has not been charged in the case.

Palm Beach police often conducted surveillance of Epstein's home, and at Palm Beach International Airport to see if his private jet was there, so they would know when he was in town. Police also arranged repeatedly to receive his trash from Palm Beach sanitation workers, collecting papers with names and phone numbers, sex toys and female hygiene products.

One note stated that a female could not come over at 7 p.m. because of soccer. Another said a girl had to work Sunday — "Monday after school?" And still another note contained the work hours of a girl, saying she leaves school at 11:30 a.m. and would come over the next day at 10:30 a.m.

Only three months before the police department probe began, Epstein donated \$90,000 to the department for the purchase of a firearms simulator, said Jane Struder, town finance director. The purchase was never made. The money was returned to Epstein on Monday, she said.

Staff writers Andrew Marva and Tim O'Melia and staff researcher Angelica Cortez contributed to this story.

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# Indictment: Billionaire solicited 3 times

*Palm Beach police will report today about their prostitution probe of the money manager.*

By LARRY KELLER  
Palm Beach Post Staff Writer

Billionaire money manager and Palm Beach part-time resident Jeffrey Epstein solicited or procured prostitutes three or more times between Aug. 1 and Oct. 31 of last year, according to an indictment charging him with felony solicitation of prostitution.

Epstein, 53, was booked at the Palm Beach County jail at 1:45 a.m. Sunday. He was released on \$3,000 bond.

Epstein's case is unusual in that suspected prostitution johns are usually charged with a misdemeanor, and even a felony charge is typically made in a criminal information — an alternative to an indictment charging a person with

the commission of a crime.

His attorney, Jack Goldberger, declined to discuss the charge.

State attorney's office spokesman Mike Edmondson also had little to say.

Epstein

"Generally speaking, there is a case that has a number of different aspects to it," Edmondson said of a prostitution-related charge being submitted to a grand jury. "We first became aware of the case months ago by Palm Beach police."

Prosecutors and police worked together to bring the case to the grand jury, he said.

Palm Beach police confirmed that and said the department will release a report today regarding its investigation. Epstein has owned a five-bedroom, 7½-bath, 7,234-square-foot home with a pool and a boat dock on the Intracoastal



Waterway since 1990, according to property records. A man answering the door there Monday said that Epstein wasn't home. A Cadillac Escalade registered to him was parked in the driveway, which is flanked by two massive gargoyles.

Epstein sued Property Appraiser Gary Nikollits in 2001, contending that the assessment of his home exceeded its fair market value. He dismissed his lawsuit in December 2002.

A profile of Epstein in *Vanity Fair* magazine said he owns what are believed to be the largest private homes in Manhattan — 51,000 square feet — and in New Mexico — a 7,500-acre ranch. Those are in addition to his 70-acre island in the U.S. Virgin Islands and fleet of aircraft.

Epstein's friends and admirers, according to the magazine, include prominent businessmen, academics and scientists and famed Harvard law professor Alan Dershowitz.

© larry\_keller@pbpost.com

## Children's book on Cuba must stay in Miami-Dade schools, judge rules

By LAURA WIDES-MUNOZ  
The Associated Press

MIAMI — A federal judge Monday temporarily barred the Miami-Dade County School District from removing a children's book about Cuba from school libraries and in a strongly worded opinion ordered the district

the series on children living around the globe.

The Miami-Dade Student Government Association and the ACLU said the board's decision violated students' constitutional right of access to information under the First Amendment.

School board member

Schreier, is geared toward children ages 4 to 8 and includes statements such as, "The people in Cuba eat, work and study like you."

Los Angeles and New York City school districts also carry the book. The Miami-Dade board overrode two committees' and the

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## Lifesaver struggles with dead weight

WELLINGTON — Shadon Stein, 17, of Palm Beach Gardens reacts to the weight of a mannequin — 130 to 165 pounds when wet — as she starts her leg of a mannequin pull relay race in the annual American Red Cross Lifeguard Competition at the Aquatics Complex. Teams from Wellington, Boca Raton and Palm Beach Gardens vied in six events on Sunday.

money for the... as evidence, forwarded a July 16 e-mail he from Epstein, who worked on s victorious 2000 campaign against ate Rep. Curt Levine.

not going to work on a ion basis, period, and you should me on the payroll," read Epstein's Remember who got you where you u don't want to be another Curt lo you? You have everyone else in i on the payroll, and your most it closest confidante who has been ou right from the gitgo you throw

ein says Slosberg ignored his advice ng peace with U.S. Rep. Robert who has become Slosberg's chief id for calming the ruckus that led to t's removal from the county Health strict board. Had he been "on the Epstein says, Slosberg might have a more heed.

already had President Bush and VP any in South Florida to headline gn fund-raisers, so it's only natural S. Rep. E. Clay Shaw, R-Fort rdale, would turn to the next figure in essential line of succession. Shaw's sign says it has lined up House cer Dennis Hastert for an Aug. 3 money in Fort Lauderdale.

Democratic National Chairman Howard is speaking gig at a sold-out Wednesday h in West Palm Beach is the latest coup he Democratic Professionals Forum, 10-month-old group led by Gunster ley attorney Bryan Miller that has drawn nial 2008 Democratic presidential fuls Evan Bayh and Mark Warner to

# Mystery money man faces soliciting charge

By NICOLE JANOK  
Palm Beach Post Staff Writer

A part-time Palm Beacher who has socialized with Donald Trump, Bill Clinton and Kevin Spacey was jailed early Sunday with accused drug dealers, drunken drivers and wife beaters after he was charged with soliciting a prostitute.

Manhattan money manager Jeffrey Epstein, 53, was picked up at his home on El Brillo Way at 1:45 a.m. He was released hours later on \$3,000 bond.

Epstein was indicted last week by a state grand jury, according to state attorney's spokesman Mike Edmondson. Despite Epstein's arrest, the indictment containing the allegations remained sealed Sunday and Edmondson provided no details.

Unlike most accused johns, Epstein was charged with a third-degree felony instead of a misdemeanor. Under state law, a solicitation charge usually is elevated to a more serious felony when the defendant has at least two solicitation

convictions.

However, checks of court records here and in New York Sunday turned up no such convictions.

Epstein could not be reached. Edmondson said he was being represented by West Palm Beach attorney Jack Goldberg, who declined comment.

Epstein is the president of J Epstein & Co., a money management company based in Manhattan that caters to ultra-wealthy clientele, according to publication. See SOLICITING, 6B ▶



Jeffrey Epstein  
Indictment  
related to  
prostitution

## Lake Worth ponders ideas for affordable housing



# 'Mysterious billionaire' has been on probation

► SOLICITING from IB

lished reports. National magazines have described him as a "mysterious billionaire" who lives in a 45,000-square-foot New York City mansion.

He has been in trouble before. In 1993, he and two other defendants were charged in federal court with three counts of postal larceny and theft and one count of property theft. Epstein plead guilty to a single charge of conspiring to steal U.S. Treasury checks from residential mailboxes and received 5 years' probation. The remaining charges were

dropped.

Since then, Epstein's name has turned up in New York City's tabloids. *The New York Post* noted he flew President Clinton and Kevin Spacey to Africa on his private Boeing 727. In 2003, the paper dubbed him one of the Big Apple's "top studs."

In 2004, Epstein bid against Trump for a 43,000-square foot Palm Beach estate once owned by health-care magnate Abe Gosman. Trump topped Epstein with a \$41.35 million bid.

Staff Researcher Angelica Cortez contributed to this story.

© nicole\_janok@pbpost.com

## FHP: Injured boy properly restrained when SUV hit

► CRASH from IB

"People were coming up over that hill and there's a wet road and it's boom, boom, boom. A chain reaction," said Lt. Tim Frith, an FHP spokesman.

Frith said the boy, who was flown by helicopter to St. Mary's, was properly restrained in the back seat of a car hit by the SUV believed to be the initial cause of the crashes. There were no reports of life-threatening injuries, Frith said.

FHP had cleared the interstate by 4:50 p.m., but drivers experienced backups

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View instant reports and I-95 camera images. Check out Chuck McGinness' blog, The Cone Zone.

[PalmBeachPost.com/traffic](http://PalmBeachPost.com/traffic)

for hours as I-95 was intermittently closed so damaged vehicles could be removed and the road cleaned up.

Investigators are still gathering details of the accidents and charges are pending, Frith said.

"It's going to take them a little while to sort this one out," Frith said.

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# He was over 50. And they were girls

If the women whom Palm Beach police say a part-time town resident invited to his home and paid for sex acts were, in fact, *women*, the solicitation charge against Jeffrey Epstein might feel more sufficient. But, according to police records, they weren't. He was over 50. And they were girls.



Elisa Cramer

14.  
15.  
16.  
17-year-old girls.  
That should count for something — the difference between prostitution and pedophilia.

So, it is baffling that Mr. Epstein, who was indicted last month by a grand jury on one felony count of solicitation of prostitution, has not been charged, as Palm Beach police strenuously urged, with unlawful sex acts with a minor and lewd and lascivious molestation.

Conviction of crimes against minors would mean steeper penalties than the maximum five-year prison term Mr. Epstein faces if convicted of the single count of felony solicitation. It also would help carry a message of intolerance to perverts who prey on girls.

Prosecutors did not pursue charges against Mr. Epstein reflecting the age of the victims because they assumed a jury would view the girls not as victims but as promiscuous, untrustworthy, willing participants. The presumption is offensive.

Mr. Epstein, a 53-year-old Manhattan money manager who has hired Harvard law professor Alan Dershowitz and defense attorney Jack Goldberger, has denied knowing how old the girls were.

## Jury should have decided if Epstein is a pedophile.

But police interviews with five alleged victims and 17 witnesses under oath, as well as phone messages, a high school transcript and other items that police found from searching Mr. Epstein's trash and 7,234-square-foot waterfront home, provide evidence that he knew the girls were teenagers.

One girl couldn't show up when Mr. Epstein wanted because she had soccer. Another time, Mr. Epstein had to wait for his "massage" session because the girl he wanted was still in class.

Why didn't State Attorney Barry Krischer let a jury decide whether to believe the teenagers — including a 16-year-old who went to Mr. Epstein's house to "work" in December 2004 after being asked whether she needed to make money for Christmas gifts?

Prosecutors gave greater weight to the details Mr. Dershowitz provided about the girls in an apparent effort to assail their character. Mr. Dershowitz pointed out to prosecutors that some of the teenagers had talked on myspace.com about marijuana and alcohol use.

The 20-year-old Royal Palm Beach woman who told police she recruited girls for Mr. Epstein has a Web page on myspace.com that features one girl using the name "Pimpin' Made EZ."

Although no charges of witness tampering have been filed, the parents of at least one of the teenage victims complained to police of being followed and intimidated by two men. Police determined that their

vehicles were registered to two private investigators. Mr. Goldberger denied knowing anything about it.

Police also note in their reports that the state attorney's office offered Mr. Epstein a plea deal that would have placed him on probation for five years, allowing him ultimately to walk away with no criminal record at all.

I asked Mr. Krischer's spokesman, Mike Edmondson, why the case was referred to a grand jury instead of Mr. Epstein being charged and facing a trial before a jury. And shouldn't the victims' credibility be a factor to determine whether a crime's been committed, not whether a jury will convict? (After all, as Mr. Goldberger told *The Palm Beach Post* of Mr. Epstein, "He's never denied girls came to the house.")

Especially, I asked Mr. Edmondson to explain: Why shouldn't the public look at this case and think there are two kinds of justice — one for the wealthy and one for the rest of us?

Mr. Edmondson said he could not comment on the case because it is active, but on the latter point, he offered, for the sake of "philosophical debate": "Whether wealth buys a different standard of justice across the country ... the answer to that would, of course, be yes."

But in this case, he said, "regardless of the battery of attorneys, the outcome would be the same. Every issue that was debated in public was debated in our office before this case went to the grand jury."

In this case, it is not the victims' credibility but the state attorney's that deserves questioning.

*Elisa Cramer is an editorial writer for The Palm Beach Post. Her e-mail address is elisa\_cramer@pbpost.com*

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David Ignatius

## Turning disaster to opportunity

Groping for a way to understand the ruinous mess in the Middle East, I find myself looking backward to an earlier ruinous mess, the Yom Kippur War of October 1973.

That long-ago war, like the current one in Lebanon, began with an Arab sneak attack — a potentially devastating Egyptian thrust across the Suez Canal, cruelly launched on Israel's holiest day. The Israelis



long past when Arab fighters would see the advancing Israeli army, discard their boots and flee in terror.

The strategy of Israel's (and America's) enemies today is to lure the military superpower into a protracted conflict. To accept the bait, as the Israelis did in assaulting Lebanon and as America did in Iraq, is to risk stepping into a trap. As Lawrence Wright says in his new book,



# LOCAL

Building overhang falls  
on Waste Management  
truck, trapping driver, 3B

County  
on Cal  
project

## Epstein camp calls female accusers liars

By LARRY KELLER

Palm Beach Post Staff Writer

Attorneys and publicists for Palm Beach financier Jeffrey Epstein went on the offensive Monday, contending that teenage girls who have accused Epstein of sexual she-nanigans at his waterfront home are liars and saying that the Palm Beach Police Department is "childish."

"There never was any sex between Jeffrey Epstein and



Epstein

any underage women," his lead attorney, Jack Goldberger, said from Idaho where he was vacationing with his family.

Epstein did have young women come to his house to give him massages, Goldberger said. "Mr. Epstein absolute-

ly insisted anybody who came to his house be over the age of 18. How he verified that, I don't know. The question is, did anything illegal occur. The law was not violated here."

He had no explanation as to why Epstein would pay girls or women with no massage training — as the alleged victims said was the case — \$200 to \$300 for their visits. "The credibility of these witnesses has been seriously ques-

tioned," Goldberger said.

Epstein, 53, was indicted by a county grand jury last month on a charge of felony solicitation of prostitution. After an 11-month investigation that included sifting through Epstein's trash and surveilling his home, Palm Beach police concluded there was enough evidence to charge him with sexual activity with minors. When the grand jury indicted Epstein on the less serious

charge, Police Chief Michael Reiter referred the case to the FBI to determine whether there were federal law violations.

After a spate of stories about the case last week, New York publicist Dan Klores — whose client list has included Paris Hilton and Jennifer Lopez — said on Saturday that Epstein's camp was ready "to get their story out."

See EPSTEIN, 9B ▶

W hi o JAC  
Epst

## 2-year-old boy in serious condition

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on tra

# Attorney: Police gave media 'distorted view'

► EPSTEIN from 1B

They did that Monday via Goldberger and a Los Angeles publicist for Miami criminal defense attorney Roy Black, who also has represented Epstein in the case.

"We just think there has been a distorted view of this case in the media presented by the Palm Beach police," Goldberger said.

Reiter has consistently declined to comment on the case and did not respond to a request for comment Monday.

The implication that State Attorney Barry Krischer was easy on Epstein by presenting the case to a grand jury rather than filing charges

directly against him is wrong, Goldberger said.

The Palm Beach Police Department was "happy and ecstatic" that the panel was going to review the evidence. "I think what happened is they weren't happy with the result. They decided to use the press to embarrass Mr. Epstein."

But records show that Reiter wrote Krischer on May 1 — well before the case went to the grand jury — suggesting that Krischer "consider if good and sufficient reason exists to require your disqualification from the prosecution of these cases."

Rather than flat-out decline to charge Epstein, Krischer referred the case to the grand jury to "ap-

pease" the chief, Goldberger said.

A state attorney's spokesman would say only that the office refers cases to the grand jury when there are issues with the viability of the evidence or witnesses' credibility.

Both the state attorney and the grand jury concluded there was not sufficient evidence that Epstein had sex with minors, according to Goldberger. "It was just a childish performance by the Palm Beach Police Department," Goldberger said.

The defense attorney said one of the alleged victims who claimed she was a minor was in fact over the age of 18. Another alleged victim who was subpoenaed to testify to the grand jury failed to do so. Epstein's

## Epstein investigation

Read a letter from Palm Beach Police Chief Michael Reiter to State Attorney Barry Krischer on the Epstein probe. [PalmBeachPost.com](http://PalmBeachPost.com)

accusers, he added, have histories of drug abuse and thefts. "These women are liars. We've established that."

But why would they all invent their stories about meeting Epstein for sexual massages?

"I don't have an answer as to what was the motivation for these women to come forward and make these allegations," Goldberger said.

© larry\_keller@pbpost.com

# \$300,000 from license plates to aid 4 dolphin programs

By RACHEL SIMMONSEN  
Palm Beach Post Staff Writer

Four dolphin research and education programs will split about \$300,000 that was raised in the past year by the "Protect Wild Dolphins" specialty license plate program, according to Harbor Branch Oceanographic Institution, which administers the program.

Mote Marine Laboratory in Sarasota will use \$100,000 for public service announcements on the dangers of feeding dolphins and another \$60,000 to study how hurricanes and red tides in Port Charlotte have affected dolphin habitats.

Florida State University will use about \$70,000 to study the use of acoustic technologies to track dol-

phins, and the Whale and Dolphin Conservation Society's DolphinSMART project has been awarded about \$72,000 to develop a voluntary code of conduct for dolphin tour operators.

Since it was created in 1999, the dolphin specialty license plate program has raised more than \$4.5 mil-

Harbor Branch, a research facility north of Fort Pierce, as well as \$2.8 million in grants for other dolphin research and conservation groups.

Each year, an additional \$30,000 is set aside to reimburse groups that provide care to sick and injured marine mammals.

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he said.  
"It's not a competitive thing," he said.

The role reversal was part of a charity event of the PGA Tour Wives Association, a fund-raising group that supports needy children and families during tours. It takes place every other year, and this was the first time it made the switch from Phoenix to Palm Beach Gardens.

white aprons available of their significant other. "It's a nice change of pace," defending champ Mark Wilson said. Wilson said the event showed him what hard work goes into caddying. Keeping score. Raking the sand traps. And the pressure of trying to give the perfect piece of advice.  
"You're just hoping it was the

players are sure via a "Others had a little more trouble spotting them. When Bill Wallace learned that the man with the red polo shirt was Mark Calcavecchia, the fan couldn't help but be a little surprised. "Doesn't look like him with his pink bib," he said.  
@ana\_ceron@bpost.com

### Take an online tour

Preview the PGA Tour's Honda Classic [PalmBeachPost.com](http://PalmBeachPost.com)

# Girl drops lawsuit against Palm Beach man

By LARRY KELLER  
Palm Beach Post Staff Writer

A girl who says that wealthy money manager and part-time Palm Beach resident Jeffrey Epstein engaged in sexual activity with her when she was 14, has dropped her lawsuit against him because her divorced parents are squabbling over the litigation.

"It has to do with the fact that the parents aren't on the same page right now," said Jeffrey Herman, the attorney for the girl, identified in court papers only as Jane Doe. "It's like a sideshow."

The girl turns 18 in May and can sue again at that time without her parents' involvement, Herman said.



Epstein  
Accused of  
sexually  
assaulting then-  
14-year-old girl.

Doe No. 2 who, like Jane Doe, claims Epstein summoned her to his home for a massage when she was a minor and sexually touched her.  
Epstein, 55, induced several underage girls to give him sexual massages

the litigation be halted until her daughter turns 18.

The mother complained that Jane Doe's father did not consult with her or their daughter before suing Epstein for \$50 million. The lawsuit alleges sexual assault, intentional infliction of emotional distress and loss of parental consortium. Herman also represents a Jane

at his Intracoastal home, a Palm Beach Police Department investigation concluded. He was indicted in July 2006 on a single count of felony solicitation of prostitution. The case is pending.

Jane Doe's parents separated two months after she was born at Good Samaritan Medical Center, according to court records. The couple's subsequent divorce has been contentious. Each has had primary custody of the girl at various times.

The father pleaded guilty to federal fraud charges in 2001 and was sentenced to 21 months in federal prison, plus three years' probation. The U.S. attorney overseeing his prosecution was Guy Lewis. Now in private practice, Lewis was hired by Epstein to defend him against the father's lawsuit filed on behalf of Jane Doe.  
@larry\_keller@pbpost.com

## A rival company is questioning the deal.

By BENNETT  
Palm Beach Post Staff Writer

WEST PALM BEACH  
— Palm Beach County commissioners Tuesday approved a \$456,000 contract to buy 6,000 new collapsible voting booths needed for the transition this fall from electronic touch-screen voting machines to paper ballots.

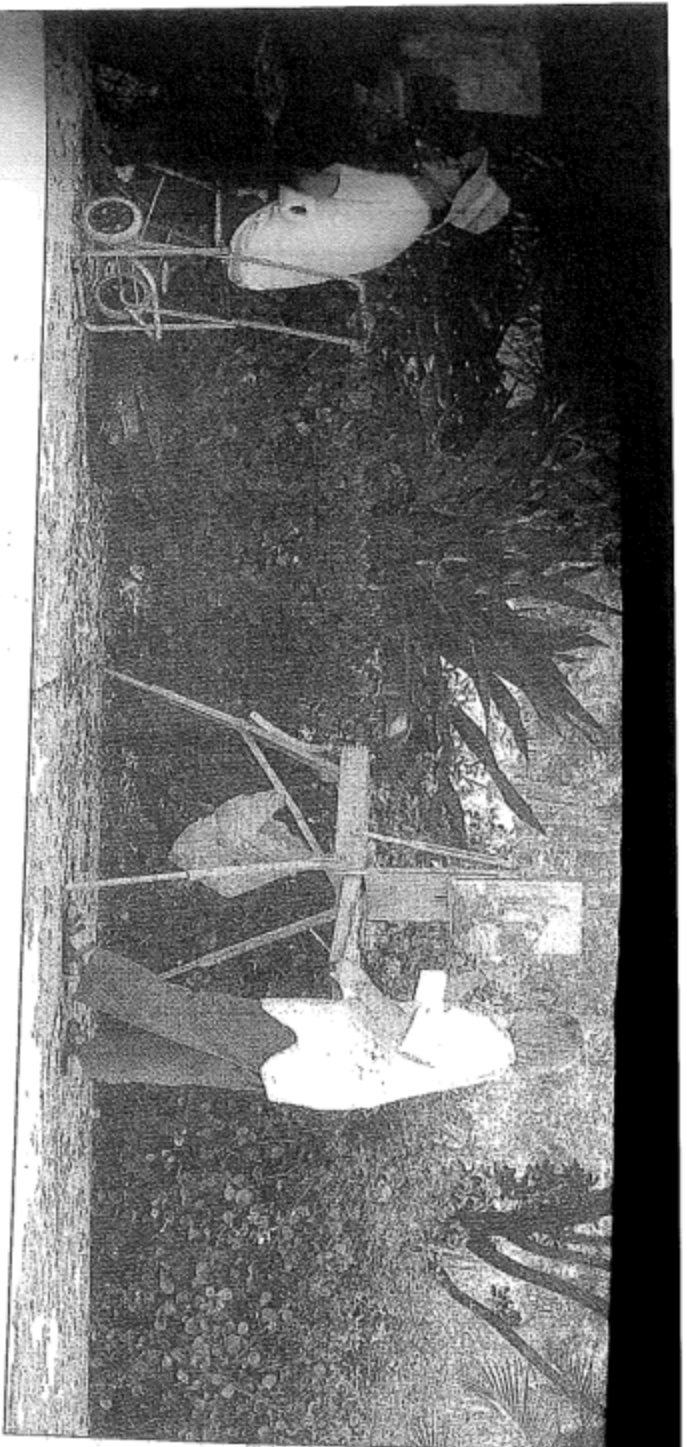
In keeping with the county's reputation for elections controversy, the contract with West Palm Beach-based Naztec International Group came over the objections of a rival company that said Naztec lacks the capacity to make the booths and shouldn't have been eligible for a small-business preference that enabled it to win the bid.

With Florida outlawing paperless electronic voting after June 30, the county will switch to paper ballots that are read by optical scanners. To allow voters to mark their ballots in privacy, the county wants 6,000 plastic tables that have privacy shields on three sides.

South Carolina-based United American Election Services submitted the low-

est of three voting booths. But United Naztec's \$76 per unit is certified as the lowest and most accurate. An at United, asked a minutes objection instead of all time at Court confide to deliver the first with the necessity to send a commitment. Con 0, with Green the and l Betan have pursue Th comp year Arthu boot or \$1 @ get





And not in the good way.

The Lake Worth City Commission voted unanimously Tuesday night to support a legal challenge to the state's plans to issue Palm Beach a permit to dredge new sand onto the Reach 8 beach.

The challenge was filed with the Department of Environmental Protection by the Surfrider and Snook foundations and several individuals.

The vote came at a packed meeting where even standing room was hard to come by. The large but well-behaved crowd of hundreds spilled out of the commission chambers, into the hallway and nearly out the door of Lake Worth City Hall.

*Please see REACH 8, Page A6*

## alapan es sewer for Point

ny, residents oppose  
30-6 on the barrier  
10-31 on the Point.

**TD ROGERS**  
News Staff Writer

- A long-discussed pro-  
sanitary-sewer system in  
d at a cost of more than  
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Commission's direction,  
g Dunham on May 9  
led a letter to residents  
th parts of town asking  
ther they want to replace  
- septic systems with a  
ary sewer system.



**Epstein**  
Now jailed, also to  
serve house arrest.

## Federal judge studying Epstein deal

He asks for more information about victims' involvement, if any, in the plea negotiations for the billionaire sex offender.

**By MARGIE KACONHA**  
Daily News Staff Writer

A federal judge is seeking more information before deciding whether to quash a plea agreement that put Palm

Beach billionaire Jeffrey Epstein behind bars for 18 months.  
Brad Edwards, a Hollywood attorney representing three girls who claim they were sexually abused by Epstein, appeared before U.S. District Judge

Kenneth Marra late last week in an attempt to have the judge throw out the deal reached in Palm Beach County Circuit Court.  
That deal, which calls for 12 months of house arrest at Epstein's El Brillo Way home and community service after he leaves the Palm Beach

*Please see EPSTEIN, Page A9*

## Historic Casa Nana listed for \$72.5M

**By DAVID ROGERS**  
Daily News Staff Writer

Casa Nana is again on the market, and its price has more than doubled since the last sale in 2003.

*To see more of  
Casa Nana, visit  
PalmBeachDailyNews.com*  
Donald Trump, buyer close





Confident that he had a winner, Hires took his commercial to the public at the Philadelphia Centennial Exhibition. It was a huge success and, for long, Hires root beer was bottled and available in local markets.

## Frothy and flirty

Now's a perfect time to grab a bottle of root beer and add it to your favorite recipes. Try a spicy root-beer glaze on barbecued baby-back ribs, juicy ham steaks or boneless chicken breast. Paired with a smooth, creamy sweet-potato purée, steamed vegetables and fresh, crisp greens, root beer-inspired entrees create an easy, tasty summertime supper.

At the end of the day, it's the classic root-beer float that will bring a smile. Take a scoop of vanilla ice cream and drop it into a tall glass. Gently pour root beer over the ice cream. Add another scoop of ice cream and another pour of the soda. If you have enough room, repeat again. For a gourmet touch, add a flirty swirl of whipped cream and top it off with a shiny-red maraschino cherry.

Here's another variation to prepare with ice-cream pop molds. Pour 4 cups root beer into a pitcher and place in the refrigerator for about 15 minutes. This will "flatten" the liquid and remove the excess foam. Then take the cold root beer and place it in the freezer for 10 minutes.

In the meantime, place a maraschino cherry into each pop mold, then pour in root beer until half-full. Gently place a small scoop of ice cream in the mold and add a little bit of root beer until full.

Freeze the molds for a couple of hours and wait until the

## Impervious drink

Of course, none of these recipes contain alcohol, so what's with the "beer" part of root beer?

One record states that during the 18th century, farmers were brewing spiked root beer homemade stills by fermenting a solution of the extract and yeast. The alcohol content was marginal at best, much less than regular beer available today.

The use of the word "beer" cause some angst for Mr. Hires. His drink was all the rage in the height of Prohibition. It wasn't until lab results proved that the beverage contained less alcohol than bread that temperate advocates endorsed it and popularity soared. (Hires used the words "Temperance drink" in its marketing during this period.)

## Proves toxic

Root beer hit another snag in 1960 when the U.S. Food and Drug Administration banned the use of sassafras oil based on the conclusion that it was a carcinogen. Sassafras root had been a key ingredient in creating root beer, and the ban all but ruined its place on the soda radar. After experimenting with alternatives, root beer makers came up with a solution. They found that sassafras could be replaced if it was treated first to re-

cycling. The hotel says it will "plant a tree for every RSVP."

Presenters will include Eco Decor, the Palm Beach Chamber of Commerce and the Arthur R. Marshall Foundation.

General manager Jennifer Reichert said the state does a good job of connecting hotels with services and products that can improve their environmental impact. The DEP helped Biba find highly efficient HEPA filters for its air-conditioning sys-

Going green is part of the hotel's business strategy. "Because we are a small property, we have absolute control over the direction our property is going," Reichert said. "In order for there to be Biba, there has to be Florida tourism. We want to sustain Florida's environment."

For information on the celebration, call (800) 789-9843. For environmental tips and news, visit the Green Wave blog at [www.palmbeachdailynews.com](http://www.palmbeachdailynews.com)

— DAVID ROGERS

## EPSTEIN

### Attorney: Victims not consulted in plea negotiations

From Page A1

County Jail, includes an agreement that the federal government will not prosecute Epstein.

Edwards said his clients were not consulted when the plea deal was negotiated. The girls, each identified publicly as a "Jane Doe," were about to be named as victims in a federal indictment against Epstein, Edwards said.

U.S. Attorney [redacted] Lee said during Friday's hearing that the federal District Court has no jurisdiction over the plea agreement approved in state Circuit Court.

"The court has taken the motions under advisement and not ruled yet," U.S. District Court spokeswoman Alicia Valle wrote in an e-mail. "The parties are conferring to determine if an evidentiary hearing is necessary."

Marra did not rule but asked for more information about the girls' involvement, if any, in the plea negotiations. Marra, according to Edwards, also expressed concern about the issue of federal versus state jurisdiction.

Epstein, a 55-year-old Manhattan investment banker, was handcuffed and taken to the Palm Beach County Jail at the

could not be reached for comment regarding the question before the federal court.

Guy Lewis, another of Epstein's attorneys, also was unavailable by telephone at his Miami office.

The case drew the ire of Palm Beach Police Chief Michael Reiter, whose department conducted a nearly year-long investigation of Epstein that found he paid underage girls for massages and sometimes sex at his mansion.

Reiter turned the findings over to State Attorney Barry Krischer's office with a recommendation that Epstein be arrested on four counts of unlawful sex acts with a minor, a second-degree felony, and one count of lewd and lascivious molestation, also a second-degree felony.

But Krischer did not arrest Epstein, instead choosing to send the case to a grand jury, which indicted Epstein on one third-degree felony count of solicitation of prostitution.

Epstein's plea acknowledged solicitation of one underage girl for prostitution.

Edwards, the victims' attorney, on Tuesday referred to Epstein as a "serious sexual predator" who is receiving "clear, transparent, favorable treatment" and "using his wealth to insulate himself



Marra

U.S. District Court judge has not ruled.

first annual sale  
featuring 50% off  
select fashions,  
& accessories  
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E-Mail:  
ANursesRegistry@aol

it was about the economy, immigration, and health care.

At the mention of Florida Atlantic University by moderator Brian Williams, from NBC Nightly News, a collective chant of F-A-U, F-A-U, F-A-U erupted

out F-A-U — known traditionally as a commuter university with little school spirit — and the answers were nearly all the same.

"This has been a big year for FAU. We won the New Orleans Bowl and now this is happening," said Krysta Barrett,

*Hardball* had a backdrop of the Marching Owls band, and this morning, MSNBC correspondent Joe Scarborough will film his *Morning Joe* show from campus.

"We're part of history. We're on our

See DEBATE, 6B ▶

**'This was a typical 14-year-old girl. ... What happened here was despicable.'**

JEFFREY HERMAN, lawyer for parents of girl, now 17, who accuses Jeffrey Epstein of sexual assault

## Palm Beach man faces lawsuit in teen sex case

By LARRY KELLER  
*Palm Beach Post Staff Writer*

**WEST PALM BEACH** — The parents of a teenage girl sued part-time Palm Beach resident Jeffrey Epstein for more than \$50 million on Thursday, alleging that the wealthy money manager had her brought to his mansion for a massage, then engaged in sexual activity with her.

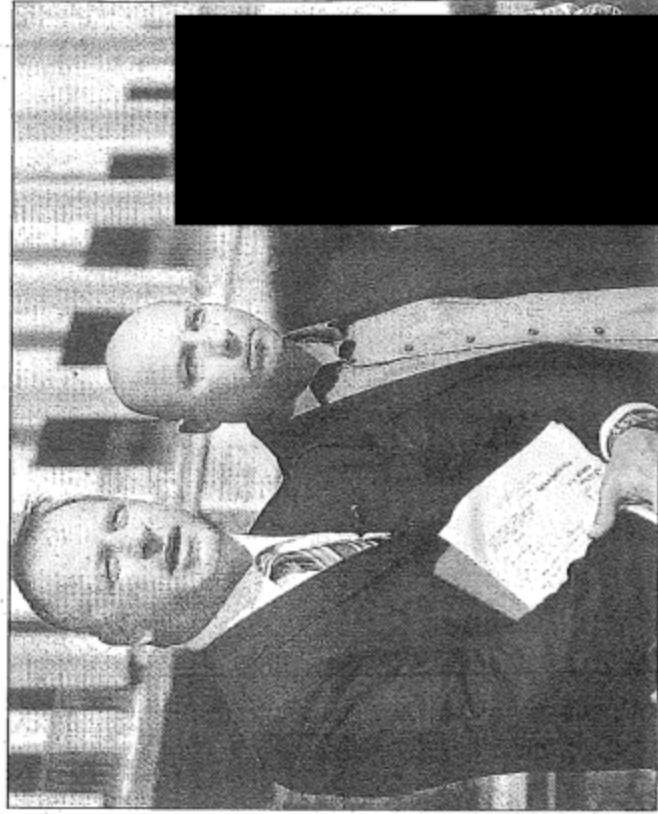
The girl, identified only as Jane Doe, was 14 at the time. She was the youngest of several alleged victims of Epstein, according to Palm Beach police, who spent 11 months investigating him.

The federal lawsuit, filed by Miami attorney Jeffrey Herman, says "Epstein has a sexual preference and obsession for underage minor girls." Epstein "gained access to primarily disadvantaged minor girls in his home, sexually assaulted these girls, and then gave them money."

Herman, who specializes in child sex abuse litigation, sued on behalf of the girl, her father and her stepmother on grounds of sexual assault, intentional infliction of emotional distress and loss of parental consortium.

"Jane Doe ... fell into Epstein's trap and became one of his victims," the lawsuit says.

"We're dismayed by the filing of the lawsuit, but not surprised," said Jack Goldberger, one of Epstein's attorneys. "We think this



BILL INGRAM  
Staff Photographer

Lawyer Jeffrey Herman (left) conducts a news conference Thursday with the father and stepmother of a girl who claims wealthy money manager Jeffrey Epstein assaulted her in 2005. The parents seek more than \$50 million in their lawsuit. Epstein, who faces a prostitution solicitation charge, is scheduled to enter a plea March 10.

shows what this case is all about: money." He and another Epstein attorney, Lilly Ann Sanchez, launched an immediate counteroffensive, even showing up at Herman's news conference outside the federal courthouse in West Palm Beach. They distributed copies of documents showing that the girl's father and

stepmother have prior arrests for financial crimes the lawyers say show the lawsuit is financially motivated. Another Epstein lawyer, Gerald Lefcourt, a prominent New York criminal defense attorney, provided some of those

See EPSTEIN, 7B ▶

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had reeled in nearly \$833,000

Records investigators obtained from another bank account show

confirmed it is investigating based on other information it had received.  
©susan\_miller@pbpost.com

## ler wants new home



ALLEN EYESTONE/Staff Photographer

(left) at a Yes on 1 rally Thursday for the amendment because he hopes benefit to a new home.

he's seen show support at 60 percent, but he has declined to release that internal poll.

He applauded the tax relief steps taken by the legislature: both the mandates for governments to roll back their tax rates and the proposed constitutional amendment. Crist continued to emphasize that "we're just getting started," but also issued words of concern.

"If this were to not pass on Tuesday, I think it would take the wind out of the sails of cutting property taxes in Florida," he said. "It's very important to keep that momentum going."

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## Epstein paid girl \$300, suit claims

► EPSTEIN from 1B

documents to Goldberger.

"Jeffrey Epstein did not have sex with this woman," Sanchez said.

Herman suggested that Epstein masturbated in front of the alleged victim and used a vibrator on her after she was brought to his home in February 2005. The girl is now 17.

"This was a typical 14-year-old girl at the time she met Epstein," Herman said. "What happened here was despicable."

The girl told police investigators that she informed Epstein she was 18 when she met him, and she said that was her age on her Web page, Sanchez said.

The girl's father and stepmother also attended the news conference.

"We're very angry," the father said. "It's not right that this wealthy man can fly into town and destroy my daughter's innocence." He did not take questions.

Epstein, 55, is a mysterious New York money manager who owns a Manhattan mansion, as well as homes in Palm Beach, New Mexico and the Virgin Islands.

A Palm Beach County grand jury indicted him in July 2006 on one count of felony solicitation of prostitution stemming from alleged incidents between Aug. 1 and Oct. 31, 2005.

Epstein is scheduled to enter a plea in the case on



Epstein

by the Palm Beach Police Department, which concluded that Epstein paid underage girls and young women to be brought to his five-bedroom, 7½-bath Intracoastal home for massages and sometimes sex play. Much of the language in the Jane Doe suit mirrors that of police reports in the case.

Herman's client said her meeting with Epstein was set up by ██████████ of Loxahatchee, who was a Palm Beach Community College student at the time. When Jane Doe arrived at Epstein's home, she was escorted by an Epstein assistant, Sarah Kellen, to a room with a massage table, police reports and the lawsuit say.

Epstein walked in wear-

March 10, but he has postponed other court dates to resolve the case.

His indictment followed an exhaustive investigation

ing only a towel, removed it and lay naked on the massage table, the lawsuit says. He demanded that Jane Doe remove her clothing, and she did, except for her underwear, the lawsuit alleges. The sexual activity followed, the suit says.

Epstein paid her \$300 afterward, and ██████████ got \$200 for bringing the girl to him, the lawsuit says.

██████████ and ██████████ helped Epstein arrange other liaisons with girls, Palm Beach police concluded. Neither was charged.

This is not the first time Epstein has been sued over purported activities with teenage girls. He was sued in New York in October by a woman who says she had sex with Epstein when she was 16 and had sought his help in becoming a model.

The lawsuit filed Thursday also alleges that Epstein has assaulted girls on his private island in the Virgin Islands. Herman declined to elaborate on that assertion.

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## What's about to become Florida history?

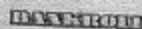
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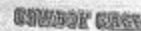
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care enough about providing roads, schools, police, reliable power and water. Mr. Powell, the Rand report says, had reconstruction plans, but they weren't practical. Gen. Tommy Franks, who ran military operations in Iraq, had a "fundamental misunderstanding" of the role the military should play in postwar Iraq. Gen. Franks retired in mid-2003 with perfect timing. Baghdad had fallen, and he left the mess from that "fundamental misunderstanding" for someone else to clean up.

The Army is supposed to publish unclassified reports as soon as it can review them, to be sure that they don't contain sensitive material. More than 2½ years later, the Army hasn't published the report and has done little to circulate the classified version to Pentagon leaders. Asked why, an Army

spective the report "lacked" also was "too broad." As for planning, the report emphasized the importance of helping the civilian population — the strategy finally adopted last year by Gen. David Petraeus.

Of course, lack of planning by the White House and Pentagon was evident both before and after the 2005 Rand report — evident to everybody but the White House and Pentagon, apparently. Rather than censor the report, the administration could have acted on it two years before political and public pressure forced a change in strategy. Now, as Defense Secretary Robert Gates acknowledged this week with his comments on troop levels, the next president will be responsible for ending what Mr. Bush secretly and recklessly started. Plan on it.

## Spare us the outrage

An 11-month police investigation led to an indictment on one felony charge of solicitation of prostitution. That was in July 2006, and part-time Palm Beacher Jeffrey Epstein still has faced no repercussions for allegedly preying on underage girls.

So maybe Mr. Epstein is satisfied that he's getting his money's worth from his large legal team, which includes Harvard Law School Professor Alan Dershowitz (remember O.J. Simpson?) and Kenneth Starr (remember Monica Lewinsky?). Jack Goldberger of West Palm Beach, who's also on the team, told *Post* columnist Jose Lambiet in November: "This case is absolutely going to end without a trial within the next two months."

He was wrong, but Mr. Goldberger remains on Mr. Epstein's payroll, feigning moral outrage at two lawsuits filed this year against the Manhattan money manager. The lawsuits allege sexual exploitation of teenaged girls, one of them as young as 14. Said Mr. Goldberger after the first lawsuit, seeking more

### *Lawyers for accused sex predator sound foolish.*

than \$50 million, was filed on Jan. 24: "We think this shows what this case is all about: money." Yes, it is — Mr. Epstein's effort to buy his way out of prosecution.

According to the lawyer of a 17-year-old whose parents are suing him, Mr. Epstein masturbated in front of her (she was 14 at the time) and used a vibrator on her at his home in February 2005. Another Epstein attorney, Lilly Ann Sanchez dismissed it: "Jeffrey Epstein did not have sex with this woman."

For those girls who claim that he did, Mr. Epstein's lawyers maintain that he did not know their ages, despite a police search of his home and garbage that found phone messages about the girls' school schedules and even a high school transcript. For all of his money, Mr. Epstein's best defense remains "I didn't know that I was a *criminal* pervert?"

Kamikaze Republic those who say they'll vote for John McCain because conservative enough — what they deserve.

The Clintons.

Many on the right, Rush Limbaugh, Glenn Ann Coulter, James D. others, have declared their vote for Hillary Clinton not vote at all — than for Sen. McCain. The pointed spokesmen of conservatism insist that voting Clinton is a matter of Better to go down on one's convictions than compromised place.

To be sure, politics makes for interesting conversation, but the winner starves to death.

It isn't necessary thing Sen. McCain has for him should he be. But it isn't possible there's no difference McCain and Sen. Clinton (Obama), as some Republican.

A form of irrationality has taken hold when oneself or to the party more important than over the country to raise taxes and in health care.

Principles should be able that strict adherence worse alternative.

Exactly which facilitates the garnish to pay for insurance Sen. Clinton has preview with ABC's Kopoloulos, Sen. Clinton government-ordered program would require mechanism that must know, going after party.

Where are those when a Democratic pointing justices Court? Given that justices will be 70 in November, it's a near



# Eclectic mix visits jailed tycoon

A scientist, a stuntman and a reputed 'sex slave' visit Epstein

By LARRY KELLER  
*Palm Beach Post Staff Writer*

WEST PALM BEACH — Tycoon Jeffrey Epstein mingled with an eclectic mix of people, including beautiful young women, before he got into trouble for paying teenage girls to give him sexual massages at his Palm Beach mansion.

Not much has changed, even though he now resides in a dorm at the Palm Beach County Sheriff's Office's 17-acre, 967-bed stockade near the fairgrounds.

During his first month of confinement, Epstein was visited by the female assistant who, girls told police, had escorted them to the room at his mansion where they gave him naked massages.

Also trekking to the jail was a young woman whom Epstein purportedly described as his Yugoslavian sex slave.

The wealthy financier and science wonk also has been visited by an expert on artificial intelligence, as well as a man who is a mixed martial arts aficionado

and sometime movie stuntman.

The only other people to visit him at the jail, according to records, are a Singer Island man and an individual who listed Epstein's Palm Beach address as his own.

Epstein, 55, pleaded guilty on June 30 to two prostitution-related charges and was sentenced to 18 months in jail, followed by a year of house arrest. Epstein



**Epstein**  
Serving 18 months at the county stockade.

See EPSTEIN, 8B ►

# Expert on artificial intelligence pays visit

► EPSTEIN from 1B

paid teenage girls \$200 to \$300 in 2004 and 2005 for massages in his home that sometimes included sexual touching, Palm Beach police said.

His jail visitors in July included:

■ [redacted] 29, who some of the teen masseuses said phoned them when Epstein was in town and escorted them upon their arrival at his Palm Beach waterfront home to an upstairs room, where she prepared the massage table and provided the oils for their encounters with him. [redacted] visited Epstein three times in July according to a jail visitor's log. [redacted] lists a Manhattan home address, reached by telephone, she declined to discuss Epstein.

■ [redacted] 23, whose family in Yugoslavia Epstein paid money to so that he could bring her to the United States to be his "sex slave," two teenage

girls told police. One girl told police that Epstein instructed [redacted] and her to kiss and have sex while he watched and masturbated. Another said she engaged in sex with [redacted] at Epstein's urging. [redacted] visited Epstein in jail four times in 13 days. She lists her address as on the Upper East side of Manhattan, not far from Epstein's enormous apartment.

■ Roger Schank, 62, founder of the Institute for Learning Sciences at Northwestern University and an expert on artificial intelligence, paid one visit to Epstein. Schank has written numerous books on that subject and has a doctorate degree from Yale University in linguistics. He was one of 19 people who applied to be president of Florida Atlantic University in 2003. He became "chief learning officer" at the online Trump University in 2005. Schank listed his address as being in Stuart,

and records show he also owns a home in Lake Worth.

Epstein has financed a number of scientists over the years, including Nobel Prize winners. He gave \$30 million to Harvard University in 2003. In November, he formed the not-for-profit Florida Science Foundation, which he said finances scientific research.

■ Igor Zinoviy, a Russian mixed martial arts fighter, who coaches a Chicago team in the International Fight League. He also has worked as a personal trainer, celebrity bodyguard and movie stuntman, according to the league's Web site. The New Jersey resident visited Epstein seven times in July.

Zinoviy, Schank and [redacted] could not be reached for comment.

Staff researcher Niels Heimeriks contributed to this story.

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17

# Girls' lawsuit claims sex assaults

*The minors are seeking millions from financier Jeffrey Epstein.*

By BILL DiPAOLO  
Palm Beach Post Staff Writer

Two underage girls are accusing Palm Beach financier Jeffrey Epstein of sexually assaulting them in a federal civil lawsuit filed Wednesday by their Miami attorney.

Epstein has been in jail since pleading guilty in June to solicitation of prostitution of underage girls. He is serving an 18-month sentence.

"Both girls are seeking a measure of justice. This is a beginning of their healing process," said attorney Jeffrey Herman.

Herman is seeking damages of more than \$100 million.

Epstein has the assets to cover the punitive damages, said Herman, adding that the financier owns an island off St. Thomas and property in New Mexico and New York.

There are four pending federal civil lawsuits and one in state court pertaining to Epstein's relationships with minors. At least one woman has sued him in New York.

Upon his release, Epstein, 55, will be under house arrest for a year and must register



BILL INGRAM/Staff Photographer

Attorney Jeffrey Herman, whose clients are suing Palm Beacher Jeffrey Epstein, speaks Wednesday outside the county stockade.

for life as a sex offender. He will be under a curfew from 10 p.m. to 6 a.m. and must have no unsupervised contact with anyone younger than 18. He also cannot own nor possess pornographic or sexual materials, according to court documents.

The two girls, ages 13 and 16, met with investigators during the 11-month investigation by Palm Beach police. They are identified as "Jane Doe No. 6" and "Jane Doe No. 7" in documents filed Wednesday in the West Palm Beach section of U.S. District Court.

The 13-year-old visited Epstein's \$8.5 million Intracoastal mansion once and had sex with him, according to the lawsuit. The 16-year-

old visited the mansion many times in two years for the same reason, Herman said. Both were brought to the mansion by friends, he said.

The charges against Epstein stemmed from a complaint to Palm Beach police about two years ago from a relative of a 14-year-old girl who had given him a naked massage at his 7,234-square-foot home. He paid the girls \$200 to \$300 each after the massage sessions, police said.

Police concluded that there were several other girls brought to the home in 2004 and 2005 for similar reasons.

Staff writer Larry Keller contributed to this story.

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UMA SANGHVI/Staff Photographer

Investment banker Jeffrey Epstein waits in court Monday before his guilty plea.

# Palm Beacher pleads in sex case

*Jeffrey Epstein will serve 1½ years on teen solicitation charges.*

By LARRY KELLER  
Palm Beach Post Staff Writer

WEST PALM BEACH — He lives in a Palm Beach waterfront mansion and has kept company with the likes of President Clinton, Prince Andrew and Donald Trump, but investment banker Jeffrey Epstein will call the Palm Beach County Jail home for the next 18 months.

Epstein, 55, pleaded guilty Monday to felony solicitation of prostitution and procuring a person under the age of 18 for prostitution. After serving 18 months in jail, he will be under house arrest for a year. And he will have a lifelong obligation to register as a sex offender. He must submit to an HIV test within 48 hours, with the results being provided to his victims or their parents.

As part of the plea deal, federal investigators agreed to drop their investigation of Epstein, which they had taken to a grand jury, two law enforcement sources said.

Epstein was indicted two years ago after an 11-month investigation by Palm Beach police. They received a complaint from a relative of a 14-year-old girl who had given Epstein a naked massage at his five-bedroom, 7,234-square-foot, \$8.5 million Intracoastal home.

Police concluded that there  
*See EPSTEIN, 8A ►*

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# Epstein faces civil lawsuits; more clients may be added

## ► EPSTEIN from 1A

were several other girls brought in 2004 and 2005 to an upstairs room at the home for similar massages and sexual touching.

The indictment charged Epstein only with felony solicitation of prostitution. The state attorney's office later added the charge of procuring underage girls for that purpose.

Prosecutor Lanna Belohlavek said of the plea: "I took into consideration the length the trial would have been and witnesses having to testify" about sometimes embarrassing incidents.

Epstein may have made a serious mistake soon after he was charged. He rejected an offer to plead guilty to one count of aggravated assault with intent to commit a felony, according to police documents. He would have gotten five years' probation, had no criminal record and not been a registered sex offender, the documents indicate.

Epstein arrived in court Monday with at least three attorneys. He wore a blue blazer, blue shirt, blue jeans and white and gray sneakers. After Circuit Judge Deborah Dale Pucillo accepted the plea, he was fingerprinted. Epstein then removed his blazer and was handcuffed for the trip to jail while his attorneys tried to shield him from photographers' lenses.

When he eventually is released to house arrest, Epstein will have to observe a 10 p.m. to 6 a.m. curfew, have no unsupervised contact with anyone younger than 18 and neither own nor possess pornographic or sexual materials "that are relevant to your deviant behavior," the judge said.

Epstein will be allowed to leave home for work. The New York-based money manager told the judge he has formed the not-for-profit Florida Science Foundation to finance scientific research. "I'm there every day," Epstein said.

The foundation was incorporated in November. Epstein said he already has awarded money to Harvard and MIT.

When he is released from jail, there is a chance that Epstein will be forced to move. Sex offenders are not allowed to live within 1,000 feet of a school, park or other areas where children may gather. No determination has been made as to whether Epstein's home complies, but attorneys said it likely does.

Sex offenders also typically must attend counseling sessions. Belohlavek said that was waived for Epstein because his private psychiatrist is working with him.

### 'It's validation of what we're saying in the civil cases.'

JEFFREY HERMAN

Attorney who represents alleged victims, commenting on the plea

The judge was skeptical but agreed to it.

Epstein's legal woes don't end with Monday's plea. There are four pending federal civil lawsuits and one in state court related to his behavior. At least one woman has sued him in New York, where he owns a 51,000-square-foot Manhattan mansion.

"It's validation of what we're saying in the civil cases," said Miami attorney Jeffrey Herman, who represents the alleged victims in the federal lawsuits. West Palm Beach attorney Ted Leopold represents one alleged victim in a civil suit in state court. He said he anticipates amending that lawsuit to add "a few other clients" as well.

In the criminal case, police went so far as to scour Epstein's trash and conduct surveillance at Palm Beach International Airport, where they watched for his private jet so they would know when he was in town. They concluded that Epstein paid girls \$200 to \$300 each after the massage sessions.

"I'm like a Heidi Fleiss," [redacted], now 22, told police about her efforts in recruiting girls for Epstein.

There was probable cause to charge Epstein with unlawful sex acts with a minor

and lewd and lascivious molestation, police concluded.

The state attorney's office said questions about the girls' credibility led it to take the unprecedented step of presenting the evidence against Epstein to a grand jury, rather than directly charging him.

Palm Beach Police Chief Michael Reiter was furious with State Attorney Barry Krischer, saying in a May 2006 letter that the prosecutor should disqualify himself. "I continue to find your office's treatment of these cases highly unusual," he wrote. He then asked for and got a federal investigation.

Epstein hired a phalanx of high-priced lawyers—including Harvard law professor and author Alan Dershowitz—and public relations people who questioned Reiter's competence and the victims' truthfulness.

In addition to mansions in Palm Beach and Manhattan, Epstein owns homes in New Mexico and the Virgin Islands. He's a frequent contributor to Democratic Party candidates. He also donated \$30 million to Harvard in 2003.

Former New York Gov. Eliot Spitzer returned a \$50,000 campaign contribution from Epstein after his indictment, then resigned this year during his own sex scandal. And the same Palm Beach Police Department that vigorously investigated Epstein returned his \$90,000 donation for the purchase of a firearms simulator.

*Staff writer Eliot Kleinberg and staff researcher Michelle Quigley contributed to this story.*

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UMA SANGHVI/Staff Photographer

Jeffrey Epstein (left) appears in court Monday. Soon after he was charged two years ago, Epstein rejected a deal that would have given him five years' probation and no criminal record, documents show.

## New York Magazine News & Features

1/31/08

Party Lines

5:30 pm

### The Night We Saw Jeffrey Epstein in Real Life

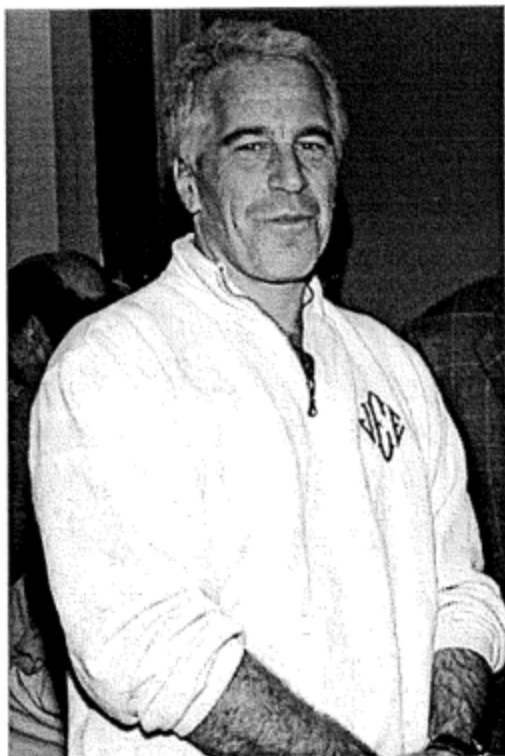


Photo: Patrick McMullan

With free-flowing top-shelf liquor, truffle-oily foods, megaluxe venues, and scores of A-to-D-listers poised to shun our goofy questions, most Peggy Siegal parties fill us with a heady mix of wonder and self-loathing. Last night's private screening of the HBO film *Bernard and Doris* at the Time Warner Center was no exception. At an event that seemed especially saturated with befuddling celebrity sightings: Why is Mo Rocca following Bebe Neuwirth like a puppy dog? Why is Cindy Adams photo-opping with Rush Limbaugh? Catherine Crier is still around? We were rendered speechless by one boldfacer we saw shuffling into the screening room with a beautiful woman: Jeffrey Epstein!

That's right, Jeffrey Epstein.

Jeffrey. Ep. Stein. Unshaven, smiling that feline-monkey grin, wearing a slightly tattered sweater and jeans, he reeked of money and massage oil. Well, we didn't get close enough to say for sure, but we could *imagine*. We knew he and Peggy are friends, and "I've only ever seen him in jeans," she told *New York* in December. But *really*? The week after another lawsuit

was filed against him by a teenage girl, he showed up to a movie premiere? With a young woman? (She looked to be in her twenties, at least, by the way.) Words failed us. Hell, even our fingers failed us as we fumbled to text a colleague about this turn of events.

The film began, and it seemed to dovetail thematically with Epstein's saga: all about eccentric billionaires Doris Duke and her bizarre relationship with the hired help. When the lights went back up, Epstein and his comely companion were gone. No photographs of them on any of the wire services. Was it all a dream? —

Justin Ravitz

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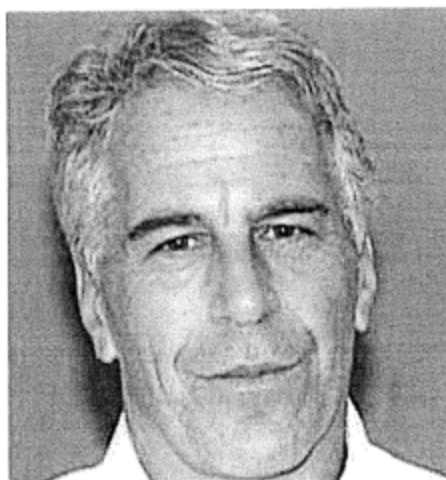
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## ON THE DOCKET

### JANE DOE'S \$50 MILLION CIVIL SUIT AGAINST JEFFREY EPSTEIN

Back in November, we reported that **Jeffrey Epstein**, the tacky pervert billionaire accused of sexually assaulting able-bodied, underage girls up and down the Eastern seaboard, opted to take his chances in court rather than cop a plea. Today we bring you the details of the first suit. The complaint, filed by one "Jane Doe," seeks to extract from Epstein "damages in excess of \$50 million," which actually seems an appropriate payout for having a creepy old dude fondle you with a brightly colored vibrator.



THE ACCUSED Epstein

The pertinent facts presented in the complaint (downloadable pdf after the jump): Epstein, "a man of tremendous wealth, power, and influence," also happens to have a "sexual preference and obsession with underage minor girls." To satiate this appetite, "he engaged in a plan and scheme in which he gained access to primarily economically disadvantaged minor girls in his home, sexually assaulted them, and then gave them money." One of these girls, the plaintiff "Jane Doe," was only 14!

Epstein's scheme, according to the complaint, is as follows: [REDACTED], a Palm Beach Community College coed, would at Epstein's behest lure underage girls to his mansion, "ostensibly to give a wealthy man a massage for monetary compensation" but really so that he could touch their private parts and engage in other non age-appropriate behavior with them. [REDACTED] wrangled destitute girls because they would be "enticed by the money being offered—generally \$200 to \$300 per 'massage' session—and who were perceived as less likely to complain to authorities or have credibility if allegations of improper conduct were

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made." (They were!)

Once inside the mansion, Epstein's assistant, **Sarah Kaplan**, it is alleged, would take down the girl's name and contact info and lead her up a flight of stairs lined with photos of nude women into a bedroom furnished with a massage table. Once the girl was inside, Kaplan would leave and Epstein would enter, wearing only a towel. He would proceed to "remove his towel, lay down naked on the massage table, and direct the girl to remove her clothes. He then would perform one or more lewd, lascivious and sexual acts, including masturbation and touching the girl's vagina with a vibrator." For this, Jane Doe received \$300 and [REDACTED] \$200.

**DOWNLOAD THE FULL COMPLAINT HERE.**

By Neel Shah 01/24/08 1:54 PM  
File Under: Jeffrey Epstein, ON  
THE DOCKET

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## SOCIETY GIRL AT TWITS' END

Neal Travis. **New York Post**. New York, N.Y.: Dec 1, 2000. pg. 009

### Abstract (Document Summary)

THINGS may be turning sour for gal-about-town Ghislaine Maxwell, daughter of the fat and fraudulent former owner of the Daily News, the late Robert Maxwell. I hear that some of the 39-year-old Ghislaine's friends on the Manhattan and London party circuit are cutting her because she's had so much adverse press over her relationship with Prince Andrew, Fergie's ex, with whom she recently attended a downtown S&M-themed party. Her relationship with "Randy Andy" is said to be platonic, but the socially prominent women in Ghislaine's "set" have recently sworn off any kind of publicity.

### Full Text (328 words)

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THINGS may be turning sour for gal-about-town Ghislaine Maxwell, daughter of the fat and fraudulent former owner of the Daily News, the late Robert Maxwell. I hear that some of the 39-year-old Ghislaine's friends on the Manhattan and London party circuit are cutting her because she's had so much adverse press over her relationship with Prince Andrew, Fergie's ex, with whom she recently attended a downtown S&M-themed party. Her relationship with "Randy Andy" is said to be platonic, but the socially prominent women in Ghislaine's "set" have recently sworn off any kind of publicity. A series of lacerating articles - and the publication of the vapid "Bright Young Things," written by one of their own, Brooke de Ocampo - has portrayed this crowd as a bunch of twits living off their trust funds.

Ghislaine's own funds are something of a mystery. Her father lavished money on her and set her up in at least one business in New York. But Maxwell's own ill-gotten gains were seized after he took a dive off his yacht, which was named for her. There are plenty of British pensioners who lost their only means of support in the crash of Maxwell's house of cards and who find it obscene that Ghislaine manages to own an apartment on the Upper East Side and a mews house in London.

She is said to be on some kind of retainer from mysterious New York financier Jeffrey Epstein, who reportedly has holdings in several major companies. Epstein also likes the company of attractive young women, and it's said that Ghislaine has been very good about introducing him to some of her pals.

Ghislaine and her two elder sisters don't talk about where their money is coming from, but they are said to be heavily involved in some kind of Internet company. It would be awful luck for Ghislaine if her social standing were diminished at the same time as tech stocks are going down the toilet.

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People: Maxwell, Ghislaine  
Section: Neal Travis' New York  
Text Word Count 328  
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## MURKY WORLD OF CLINTON PAL

New York Post. New York, N.Y.: Oct 20, 2002. pg. 010

People: Epstein, Jeffrey, Clinton, Bill, Trump, Donald J, Boardman, Samantha, Truman, James  
Section: *Page Six*  
Text Word Count 1147  
Document URL:

### Abstract (Document Summary)

Leslie Wexner, founder and chair of the Limited clothing-store chain, bought the place in 1989 for \$15,000. [Jeffrey Epstein]'s mentor and one of his clients, Wexner is rumored to have sold the palatial digs to him for just \$1. Epstein quickly spent \$10 million to gut the place and completely redo the interior.

SOCIALITE Samantha Boardman ditched her beau, Conde Nast editorial director James Truman

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## MURKY WORLD OF CLINTON PAL

New York Post. New York, N.Y.: Oct 20, 2002. pg. 010

### Abstract (Document Summary)

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SOCIALITE Samantha Boardman ditched her beau, Conde Nast editorial director James Truman, last year for man-about-town Todd Meister. According to our spies, Boardman ditched Meister after she caught him in flagrante with a 19-year-old coed. But don't feel too bad for her. Women's Wear Daily reports Boardman has a new man - Vanity Fair's Graydon Carter. Truman must not be too pleased. When Boardman dumped him, he needed to recuperate at a Buddhist retreat upstate. Editorial meetings at Conde Nast must be a hoot these days.

"DISCO Bloodbath" author James St. James is following up his notorious tell-all about killer club kid Michael Alig with another true-crime tome. He's shopping around "Killer Grandpa," his investigation into a lynching that his grandfather led in 1935. "My grandfather was a sheriff in Fort Lauderdale, and he lynched a black man that allegedly raped a white woman," James told us. "About 100 people gathered to watch, and they passed a gun around and everyone took a shot at the body. It became this big town secret, and I write about what really happened." James, a 1980s club kid who fell in with Alig's inner circle, is played by Seth Green in "Party Monster," the movie adaptation of "Disco Bloodbath." But James said he was "shocked" when he watched a few scenes of Green mincing it up with Macaulay Culkin, who plays Alig. "I didn't know I was so gay! I thought I was more like Steve McQueen, but Seth is flouncing around the whole time. Seth is much cuter than me, actually, and looks better in drag."

### Full Text (1147 words)

(Copyright 2002, The New York Post. All Rights Reserved)

PAGE SIX'S scoop last month that mysterious money manager Jeffrey Epstein had flown Bill Clinton, Chris Tucker and Kevin Spacey to Africa on his private 727 has sent journalists all over town trying to find out just who Epstein really is.

Vanity Fair has a reporter on his trail, but New York magazine beats them to the punch with a feature this week on Epstein's strange history.

Epstein, 49, a former Dalton School math teacher from Coney Island, is said to manage \$15 billion for super-wealthy clients he'll only take on if they have at least \$1 billion in assets.

"According to people who know him," New York reports, "if you were worth \$700 million and felt the need for the services of Epstein & Co., you would receive a not-so-polite no-thank-you."

Noted mergers/acquisitions lawyer Dennis Block of Cadwalader, Wickersham & Taft recalls trying to give Epstein a client whose funds were below the \$1 billion cutoff.

"I sent him a \$500 million client a few years ago and he wouldn't take him," Block reports. "Said the account was too small. Both the client and I were amazed. But that's Jeffrey."

Most Wall Streeters, however, aren't even certain what Epstein actually does for a living. "My belief is that Jeff maintains some sort of money-management firm, though you won't get a straight answer from him," says one powerful investor. "He once told me that he has 300 people working for him, and I've also heard he manages Rockefeller money. But one never knows. It's like looking at the Wizard of Oz."

Some say that Epstein once quit his seat on the board of the Rockefeller Institute because he hates wearing a suit, supposedly telling a friend, "It feels like wearing a dress."

One power player who doesn't find Epstein to be all that hard to figure is Donald Trump.

"I've known Jeffrey for 15 years," The Donald tells the magazine. "Terrific guy. He's a lot of fun to be with. It is even said that he likes beautiful women as much as I do, and many of them are on the younger side."

Another thing Epstein - who's said to pocket at least \$75 million a year in fees - and Trump have in common is a taste for extravagant living. Epstein lives in a 45,000-square-foot, eight-story mansion on East 71st Street.

Leslie Wexner, founder and chair of the Limited clothing-store chain, bought the place in 1989 for \$15,000. Epstein's mentor and one of his clients, Wexner is rumored to have sold the palatial digs to him for just \$1. Epstein quickly spent \$10 million to gut the place and completely redo the interior.

"I don't want to live in another person's house," Epstein told New York.

#### Blind date

CHRIS Noth wasn't lonely on a recent trip to London. The "Law & Order" hunk was set up on a blind date with Rose Keegan, an actress and the daughter of historian Sir John Keegan. The two spent much of the evening at the Century Club, and they were chaperoned by Kyle MacLachlan, who is pals with Noth from their days on the set of "Sex and the City." MacLachlan is in London co-starring in a play with hemp-happy Woody Harrelson.

#### 'Rockets' soars

"ROCKETS Redglare!" - a posthumous tribute to the late East Village actor and downtown icon - won the Grand Jury Prize for Best Documentary at the New York International Independent Film and Video Festival. Directed by Luis Fernandez De La Reguera, it features interviews with Rockets' pals Willem Dafoe, Matt Dillon, Jim Jarmusch, Steve Buscemi and Julian Schnabel. Rockets, the beloved 350-pound former bodyguard of punk legend Sid Vicious who appeared in several of Buscemi's and Jarmusch's movies, died last year after years of drug abuse.

#### Bizarre union

BOB Crane was a sex addict, but his second wife, Pat Crane, didn't care. "He treated women like the rest of the world treats toilet paper. Who's going to be jealous of toilet paper?" she told "20/20" contributing correspondent Chris Connelly. Despite Crane's penchant for seducing other women and documenting his trysts on film and videotape, Pat insists: "We had a wonderful sex life. We had a wonderful marriage." Crane was bludgeoned to death in 1978 with a camera tripod.

#### Plot device

GAY writers love PAGE SIX. Everyone's favorite gossip column is prominently featured in the new novel "The Night We Met," a romantically swishy comedy by Rob Byrnes about a guy and his mafioso boyfriend. After making references to this page and The Post throughout the book, Byrnes even attempts to replicate one of our items in the climax. Byrnes' fictional item may lack the flawless prose of a real PAGE SIX scoop, but he does have us outsmarting yet another mendacious mouthpiece.

#### Change partners

SOCIALITE Samantha Boardman ditched her beau, Conde Nast editorial director James Truman, last year for man-about-town Todd Meister. According to our spies, Boardman ditched Meister after she caught him in flagrante with a 19-year-old coed. But don't feel too bad for her. Women's Wear Daily reports Boardman has a new man - Vanity Fair's Graydon Carter. Truman must not be too pleased. When Boardman dumped him, he needed to recuperate at a Buddhist retreat upstate. Editorial meetings at Conde Nast must be a hoot these days.

#### Well protected

SEAN "Puffy" Combs confirmed our account of how Heath Ledger scuffled with his bodyguards at the VH1/Vogue Awards after-party Combs threw at Lotus. "Heath is from Australia, and he parties hard now," Combs told "Access Hollywood." The two became pals on the set of "Monster's Ball." "He's coming at me, he's like, 'Puff, people don't know that we're the best of friends,' so it's like my security held him up for a second . . . and I was like, 'No, that's my brother.' " Sins of his grandfather

"DISCO Bloodbath" author James St. James is following up his notorious tell-all about killer club kid Michael Alig with another true-crime tome. He's shopping around "Killer Grandpa," his investigation into a lynching that his grandfather led in 1935. "My grandfather was a sheriff in Fort Lauderdale, and he lynched a black man that allegedly raped a white woman," James told us. "About 100 people gathered to watch, and they passed a gun around and everyone took a shot at the body. It became this big town secret, and I write about what really happened." James, a 1980s club kid who fell in with Alig's inner circle, is played by Seth Green in "Party Monster," the movie adaptation of "Disco Bloodbath." But James said he was "shocked" when he watched a few scenes of Green mincing it up with Macaulay Culkin, who plays Alig. "I didn't know I was so gay! I thought I was more like Steve McQueen, but Seth is flouncing around the whole time. Seth is much cuter than me, actually, and looks better in drag."

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People: Epstein, Jeffrey, Clinton, Bill, Trump, Donald J, Boardman, Samantha, Truman, James

Section: Page Six

Text Word Count 1147

Document URL:



## **HOTSHOT EPSTEIN NOT SO HOT: VF**

*PAUL THARP. New York Post. New York, N.Y.: Feb 4, 2003. pg. 036*

People: Epstein, Jeffrey, Hoffenberg, Steve  
Section: *Business*  
Text Word Count 249  
Document URL:

### **Abstract (Document Summary)**

[Jeffrey Epstein], a 50-year-old Ralph Lauren lookalike who claims to manage a billionaires-only fund, has made headlines for his high- society lifestyle; among his attention-grabbing moves was flying President Clinton and Kevin Spacey to Africa on a private jet.

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**Full Text** (249 words)

(Copyright 2003, The New York Post. All Rights Reserved)

Jeffrey Epstein - a self-proclaimed billionaire who hobnobs with moguls and pledged \$25 million to Harvard - is actually a small potatoes ex-bounty hunter with a questionable financial background, says a report.

Epstein, a 50-year-old Ralph Lauren lookalike who claims to manage a billionaires-only fund, has made headlines for his high- society lifestyle; among his attention-grabbing moves was flying President Clinton and Kevin Spacey to Africa on a private jet.

But a report in the March issue of Vanity Fair, on newsstands this week, unmaskes Epstein's mystery image.

Epstein wasn't exactly the top gun at Bear Stearns, as he claims - and left the firm amid a swirl of rumors and an SEC violation, the article said.

His mentor in high finance was Steve Hoffenberg, the bill collector turned hustler now serving 20 years in prison for running the nation's costliest Ponzi scheme, the report says.

The article says that when Epstein worked for Hoffenberg, he cooked up some of Hoffenberg's questionable financing deals - a claim Epstein has denied.

Epstein has also been involved in numerous lawsuits, including one in which Citibank is suing him for defaulting on \$20 million in loans from its private banking arm.

Epstein and his lawyer, Jeffrey Schantz, couldn't be reached for comment on the article.

The article said that Epstein keeps all his deals and clients secret, except for one - retail magnate Leslie Wexner, who calls Epstein "smart . . . [with] high standards . . . and a loyal friend."

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People: Epstein, Jeffrey, Hoffenberg, Steve  
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## MORE HEAT FOR BEL AIR BURGLAR

New York Post. New York, N.Y.: May 26, 2005. pg. 012

Companies: Miami Heat (NAICS: 711211, Sic:7941 )  
Section: *Page Six*  
Text Word Count 1671  
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### Abstract (Document Summary)

NOW that his romance with Serena Williams has gone south, randy director Brett Ratner seems to be settling down with his former gal pal. Model [REDACTED] has been flashing a massive canary-yellow diamond engagement ring Ratner recently gave her, we're told. [REDACTED], a Romanian stunner, used to date reclusive billionaire Jeffrey Epstein. Epstein, who handles Leslie Wexner's fortune, helped land her a gig modeling

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YOU can't watch Arthur Chi'en on WCBS/Ch. 2 any more - the reporter was fired last week for uttering the "f word" on-air - but you can buy a plethora of products with his face on it. Cafepress.com is hawking a line of Chi'en-branded mugs, T-shirts, buttons, tote bags, messenger bags, barbecue aprons, teddy bears and even a "Chi'en Classic Thong." Some are emblazoned with the words, "What the [bleep] is your problem, man?" - the question Chi'en, who thought he was off the air, yelled out to twohecklers. David Yee, who is selling the Chi'en merchandise, said he was inspired by the popular T-shirts of revolutionary Che Guevara. "Chi'en sort of sounds like Che," he explained. "People are buying it." Meanwhile, Chi'en's friend Ian Gerard, the founder of Gen Art, has circulated an e-mail calling the firing "ridiculous," and urging recipients to complain to various Viacom and Channel 2 executives. Chi'en tells us he was "devastated" by his dismissal, and says he's currently looking for a new job. "I've got bigger things to worry about than the shirts, basically," he said.

### Full Text (1671 words)

(Copyright 2005, The New York Post. All Rights Reserved)

YOUNG Hollywood can rest easier now that police have arrested the man suspected of committing a string of burglaries in the Beverly Hills and Bel Air area.

Darnell Riley, 28, was officially busted two months ago in connection with a burglary/robbery at "Girls Gone Wild" gazillionaire Joe Francis' home in January 2004 - but he's also being investigated for break-ins at the homes of Paris Hilton, baby oil heiress Casey Johnson, club promoter Tommy Alastra and other L.A. celebs.

A source said the crime ring used a gorgeous Elite model, still at large, to infiltrate the Hollywood party scene: "She would befriend the men, get the security codes to their homes and then send Riley in."

Just before the 2004 Golden Globes, Francis returned to his Bel Air home as it was being robbed. The intruder Francis recently identified as Riley held him at gunpoint and stole \$300,000 in cash and valuables.

Sources added that Francis was "being blackmailed." Francis would only say, "I can confirm I was robbed at gunpoint."

When Hilton's home was burgled in September of 2004, it looked eerily similar to the Francis break-in.

At the time, Hilton spokesman Elliot Mintz confirmed that a "very, very professional" gang swiped more than \$100,000 worth of jewelry, cash, video tapes and other items from the Hollywood Hills house Paris was renting with her sister, Nicky.

After the burglary, more Hilton sex tapes mysteriously appeared, and damaging reports surfaced of a tape where Hilton supposedly used the "n-word."

Insiders say Hilton paid dearly to make sure the tape was never found. A source said, "She was blackmailed. She paid \$20,000 a month to have that tape not released." Hilton told PAGE SIX via her rep, "Anyone who



blackmails should be prosecuted to the full extent of the law."

Hollywood insiders say Frankie Muniz and Wes Anderson may also have been burglarized, but their reps deny it. Steve Coleman, a Los Angeles police officer who worked the case, told PAGE SIX: "Darnell Riley is in custody and charged with burglary, robbery, and home invasion. This is an ongoing investigation."

Asked if the cops were looking into whether or not Riley had pulled the heists at the homes of Hilton, Johnson and the others, Coleman said, "That's fair to say."

#### Wacky lackeys

AND you thought P. Diddy forcing Farnsworth Bentley to hold his umbrella was bad? Mariah Carey retains a "petite Colombian woman" whose duties include "keeping Mariah's long skirts from touching the floor and humping around a Louis Vuitton backpack filled with bottled water," reports Stuff magazine. Nelly keeps a "personal jewelry jockey" to ensure the safekeeping of all his carat-encrusted bling. Ludacris has a minion whose sole role is to make sure his boss' Gameboy is always loaded with fresh batteries. And rapper N.O.R.E. has a hype man, Ching Bing, who has just one job: to stand onstage and swing around a towel.

We hear . . .

THAT Eva Longoria - milking her man-eating "Desperate Housewives" image to the max - has taped a spot for Sirius Satellite Radio where she huskily pants: "Some women have to guess what a man wants, but I know what a man really wants, something that will keep a smile on his face for a really long time - over 120 channels, enough to satisfy any man" . . . THAT a visitor to Japan - where extreme modesty and close quarters prevail - reports that new public toilets have an unusual feature, the Flush Noise button, so that you can conceal the sound of actual bathroom functions with an artificial flushing noise.

#### Sightings

DALLAS Cowboys owner Jerry Jones and Washington Redskins owner Dan Snyder powwowing at Caf Milano . . . BEN Affleck sitting front row at the Red Sox-Blue Jays game in Toronto, then getting mobbed for photos before escaping through the Sox dugout . . . TRACY Morgan lifting up his shirt a la his character in "The Longest Yard" to do a striptease for Burt Reynolds, Adam Sandler and Chris Rock at their movie premiere after-party at Plus, the new lounge in Chelsea . . . HARRY Shearer dedicating his song, "82 Facelifts," to Barbara Walters during a performance at the Cutting Room.

#### Romanian babe scores rock

NOW that his romance with Serena Williams has gone south, randy director Brett Ratner seems to be settling down with his former gal pal. Model Alina Pascau has been flashing a massive canary-yellow diamond engagement ring Ratner recently gave her, we're told. Pascau, a Romanian stunner, used to date reclusive billionaire Jeffrey Epstein. Epstein, who handles Leslie Wexner's fortune, helped land her a gig modeling for Wexner's Victoria's Secret brand, we hear, and paid for her to live in high style. After they broke up she and Ratner dated for a while before his fling with Williams. "She's beautiful, but dumb as paint," one pal of Pascau told us. "She never washes her hair and she always has a cellphone glued to her ear. Without Jeffrey she would never have gotten the Victoria's Secret job." Pascau, who likes high-profile men, also used to bed down with Formula 1 driver Eddie Irvine. Ratner's rep did not return calls.

#### Publicity-hungry

A ROMAN restaurateur is trying to exploit a near-miss with Bill Clinton, who recently canceled a dinner for 18 at the fashionable Agata e Romeo eatery. Owner Romeo Caraccio is whining to the press that Clinton's people ordered nearly \$2,000 of special food and wines but never canceled, leaving him to take a loss. But his tale is baloney, says Clinton rep Jim Kennedy. "An advance person made a reservation, canceled it, and compensated the restaurant for it," Kennedy said. He quipped, "A restaurant trying to get publicity out of a canceled reservation? I'm shocked."

## Protein power

HOW did Shaquille O'Neal prepare for last night's Game 2 of the NBA Eastern Finals pitting his Miami Heat against the Detroit Pistons? By devouring a 48-oz. porterhouse (\$76) at South Beach's trendiest steakhouse, Prime 112, the night before. The 7-foot-1, 320-lb. center joined fellow carnivores Jamie Foxx and TNT analyst Charles Barkley, who as usual was trashing the Knicks. There's one menu item Shaq steers clear of - the \$20 "Kobe Hot Dog."

## Keepin' it real

IS life imitating art? Blond bombshell Katheryn Winnick, who was so good as Ivana Trump in Tuesday night's "Trump Unauthorized" on ABC, must have liked her brush with real estate fame. The Post's Lois Weiss reports the actress was seen canoodling with one of the city's top real estate investment-sale brokers, Douglas Harmon of Eastdil, Tuesday afternoon, before she got into a black Lincoln in front of 40 W. 57th St., the building where Harmon is headquartered.

## Paris burger ad not for kids?

PARIS Hilton is too hot for Washington. Lawmakers are working behind the scenes to get her sizzling TV ad for eatery chain Carl's Jr. - in which she writhes half-naked on a Bentley, cavorts with a garden hose and sucks her finger - banished to late night. Sources say several influential pols have quietly told networks the commercial, labeled "basically soft-core porn" by the Parents Television Council, isn't fit for children and shouldn't air before 10 p.m. The eye-popping ad, in which Paris looks like she's getting ready for her next Rick Solomon, is great publicity for Carl's Jr., which hired the hotel hottie to hawk its new Spicy Burger. The fast-food firm's official response to those who are seeing red? "Get a life."

## Sudden dash

DAMON Dash, with gorgeous wife Rachel Roy in tow, basked in the glory of receiving an AAFA American Image Award from Kevin Bacon at the Grand Hyatt, but dashed out without offering a donation to the event's charity partner, the Alzheimer's Association. The hip-hop mogul was apparently the only honoree who didn't donate to the event. Dash's publicist told us he did make a donation - but nobody connected to the event was aware of it.

## Axed reporter branded

YOU can't watch Arthur Chi'en on WCBS/Ch. 2 any more - the reporter was fired last week for uttering the "f word" on-air - but you can buy a plethora of products with his face on it. Cafepress.com is hawking a line of Chi'en-branded mugs, T-shirts, buttons, tote bags, messenger bags, barbecue aprons, teddy bears and even a "Chi'en Classic Thong." Some are emblazoned with the words, "What the [bleep] is your problem, man?" - the question Chi'en, who thought he was off the air, yelled out to two hecklers. David Yee, who is selling the Chi'en merchandise, said he was inspired by the popular T-shirts of revolutionary Che Guevara. "Chi'en sort of sounds like Che," he explained. "People are buying it." Meanwhile, Chi'en's friend Ian Gerard, the founder of Gen Art, has circulated an e-mail calling the firing "ridiculous," and urging recipients to complain to various Viacom and Channel 2 executives. Chi'en tells us he was "devastated" by his dismissal, and says he's currently looking for a new job. "I've got bigger things to worry about than the shirts, basically," he said.

## Call to mouths

KELLY Osbourne thinks her Hollywood friends are too thin. "Sure they're beautiful in photographs. But when you see them in person, they look hungry and miserable," she tells Teen Vogue. "I hate to name names, so I'm not going to, but there's one in particular I think of often. I saw her last summer and remember thinking, 'You're so beautiful, you're at the most perfect weight.' And then I ran into her in the winter and she literally looked near death. I was like, 'What are you doing to yourself? You're 18 years old.'" Interestingly, the magazine's June/July issue features shrunken Lindsay Lohan on the cover.

## [Illustration]

-Shaquille O'Neal; Katheryn Winnick -IN A CONTROVERSIAL TV SPOT, PARIS HILTON REWARDS

HERSELF AFTER WASHING A BENTLEY IN HER SKIMPY SWIMSUIT. [Jeff Vespa / WireImage] -LATINA LOVELY THALIA CHANNELS ELVIS PRESLEY AS SHE SHOOTS HER NEW VIDEO FOR "AMAR SIN SER AMADA" IN BROOKLYN. [Sara Jaye Weiss]

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Companies: Miami Heat (NAICS: 711211, Sic:7941 )

Section: *Page Six*

Text Word Count 1671

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## PROBED POL'S SON BLAMES PLOT

New York Post. New York, N.Y.: Jan 14, 2005. pg. 014

### Abstract (Document Summary)

IS billionaire financier Jeffrey Epstein making a bid for IMG Models? As we reported last summer, Epstein tried to buy Elite Models when the bankrupt agency was auctioned off. In 2003, we reported that Epstein, who's been described as "a connoisseur of beautiful women," was talking to Karin Models owner Jean-Luc Brunel about doing a deal, but it went nowhere. Epstein has also met with Elite's Gerald Marie and 1 Management's Scott Lipps. Now we hear Epstein has been having talks with fellow billionaire Teddy Forstmann, who paid \$750 million for the IMG group a few months ago, about buying the company's modeling division, which reps the likes of Gisele Bundchen, Kate Moss and Heidi Klum. Reps for IMG and Forstmann deny any such negotiations are taking place. Epstein's rep did not return calls. Forstmann has been talking to top Hollywood talent agencies about a possible merger.

PAUL Allen, 51, the bachelor Microsoft co-founder worth \$20 billion (according to Forbes), rang in the New Year with British blonde Kate Reardon, 36 (above), a former fashion director for Tatler magazine who now writes about jewelry for the Times of London. The couple ushered in 2005 in St. Barts aboard Allen's 413-foot yacht, "Octopus," equipped with two helicopters and a 60-foot submarine. There were scores of other guests but Allen seemed mesmerized by Reardon, who had a similar effect on another billionaire, Sir Jimmy Goldsmith. Reardon attended Goldsmith's funeral in 1997, along with his widow and his second wife. "Conveniently, Allen has a house in London," said our source.

[TRUMAN CAPOTE], dead for over 20 years, is suddenly a hot property in Hollywood. The author of "Breakfast at Tiffany's" and "In Cold Blood" is the subject of two new biopics - Warner Independent's "Every Word Is True," based on [REDACTED] Plimpton's 1997 oral history, and United Artists' "Capote," based on the landmark 1988 Gerald Clarke biography. "Capote," due out this fall, stars Phillip Seymour Hoffman, who is talented but a bit burly to play the "tiny terror." "Every Word" stars relatively unknown Toby Jones with an all-star supporting cast including Alan Cumming, Anjelica Huston, Sandra Bullock (as "To Kill a Mockingbird" author Harper Lee), Ashley Judd, Kevin Kline, Gwyneth Paltrow and Sigourney Weaver. Hollywood columnist Jeffrey Wells reports that "Capote" has the advantage of Hoffman in the starring role, while "Every Word," which just started filming, is said to have a much better screenplay.

### Full Text (1520 words)

(Copyright 2005, The New York Post. All Rights Reserved)

THE loose-cannon son of a subpoenaed Bronx state senator claims Republicans are behind a federal probe of the Bronx Democratic machine because they want to destroy Fernando Ferrer's campaign for mayor.

Efrain Gonzalez III, whose dad, State Sen. Efrain Gonzalez Jr., is one of nine Bronx politicians subpoenaed to testify, wrote to the Riverdale Review: "The GOP controls the White House, the N.Y. State House and City Hall, so if they want to attack the members of the Bronx Democratic Party, who is going to stop them?" Fifteen subpoenas reportedly have been served, six of them to nonprofit organizations that employ relatives of the elected officials. Young Gonzalez is president of the Latino Affirmation Council, which isn't listed in The Bronx or Manhattan.

Gonzalez III's letter to the Riverdale paper said: "When my father and the 14 other members were issued subpoenas, that alone was a message being sent by the GOP, that they will do anything in their power to keep Mayor Bloomberg in power, because all those members being probed are working to support Ferrer in next year's mayoral race."

The elder Gonzalez's lawyer, "Don't Worry Murray" Richman, told PAGE SIX: "This is the over-excited imagination of a young man. We do not support these allegations which were not authorized and don't represent the views of the senator or myself."

In a strange e-mail posted on YonkersTribune.com last fall, after The Post broke the news of the investigation, young Gonzalez said: "They couldn't find any weapons [of mass destruction], so they said instead of killing more



camels, they are trying to get rid of all the donkeys over here instead . . . they forgot that a Puerto Rican donkey knows how to climb high mountains, and are stronger than any elephant."

One federal subpoena went to the elder Gonzalez's longtime girlfriend, Lucia Sanchez. Investigators are also looking into the \$1 million in campaign funds Gonzalez has spent over the years in uncontested elections, with much of the money going to a mystery campaign worker identified in filings as Ricardo Santiago.

"At issue is whether or not borough politicians funneled state and city funds into pet programs to then turn those funds into salaries for friends and relatives," the Riverdale Review reports.

One of the non-profits being probed is the West Bronx Neighborhood Association, a favorite of Gonzalez's housed in the same building as his office on the Grand Concourse.

#### Talent shortfall

THUMB-size thespians looking for a little work would do well to book a trip to London, where dwarf actors are in short supply. Producers for the BBC's "Doctor Who" are searching for undersize actors to play little blue aliens in the remake of the classic 1970s sci-fi show. But most of Britain's tiny talents have already been snapped up for the new "Charlie and the Chocolate Factory" movie or to play Gringotts Bank staff in the new "Harry Potter" film. Executive producer Russell T. Davies complained to London's Daily Mirror: "It's very difficult to employ persons of restricted growth when these other movies are filming at the same time."

We hear . . .

THAT it could get crowded for the Democrats in 2008. John Kerry has said he won't rule out running again, and now comes word Tipper Gore is telling friends that Al is eyeing another race himself.

#### Words of gold

DONALD Trump will be paid a record-breaking \$1 million an hour for Learning Annex appearances in three cities this year. That's over \$16,000 a minute. Since it was founded in 1980, the Learning Annex has featured such celebrity teachers as Sarah Jessica Parker, Tony Robbins, Deepak Chopra and Henry Kissinger. The previous highest fee was \$28,000 - paid to Ron Wood nearly 20 years ago when he was a member of the Rolling Stones. Trump's "How to Succeed in Real Estate" hits Los Angeles on May 1, Chicago on Oct. 23 and New York on Nov. 6. Learning Annex president/founder Bill Zanker said, "Last time he taught for us, over 20,000 students came - and this year he's even bigger."

#### Mogul lusts for model shop

IS billionaire financier Jeffrey Epstein making a bid for IMG Models? As we reported last summer, Epstein tried to buy Elite Models when the bankrupt agency was auctioned off. In 2003, we reported that Epstein, who's been described as "a connoisseur of beautiful women," was talking to Karin Models owner Jean-Luc Brunel about doing a deal, but it went nowhere. Epstein has also met with Elite's Gerald Marie and 1 Management's Scott Lipps. Now we hear Epstein has been having talks with fellow billionaire Teddy Forstmann, who paid \$750 million for the IMG group a few months ago, about buying the company's modeling division, which reps the likes of Gisele Bundchen, Kate Moss and Heidi Klum. Reps for IMG and Forstmann deny any such negotiations are taking place. Epstein's rep did not return calls. Forstmann has been talking to top Hollywood talent agencies about a possible merger.

#### Aspen captive

SOCIALITE Denise Rich has fired her yoga instructor after his girlfriend told police that he locked her in a room of Rich's Aspen mansion for three days over the Thanksgiving holiday. The unidentified woman alleged that Jules Paxton attacked her first and then locked her in a room when she threatened to call the cops. A spokesman for Rich said the ex-wife of pardoned tax cheat Marc Rich was traveling abroad during the incident, but confirmed that Paxton was staying at her home. "Mrs. Rich has decided to discontinue his services as her yoga instructor," the rep said.

## Happy holiday

PAUL Allen, 51, the bachelor Microsoft co-founder worth \$20 billion (according to Forbes), rang in the New Year with British blonde Kate Reardon, 36 (above), a former fashion director for Tatler magazine who now writes about jewelry for the Times of London. The couple ushered in 2005 in St. Barts aboard Allen's 413-foot yacht, "Octopus," equipped with two helicopters and a 60-foot submarine. There were scores of other guests but Allen seemed mesmerized by Reardon, who had a similar effect on another billionaire, Sir Jimmy Goldsmith. Reardon attended Goldsmith's funeral in 1997, along with his widow and his second wife. "Conveniently, Allen has a house in London," said our source.

## Super at 14

THE 44 contestants in the Ford Supermodel of the World contest learned evasive maneuvers at the after-party at the Tunnel, where they met such studs as Jesse Palmer of the Giants, Trevor Ariza of the Knicks, Jamie ("Born Rich") Johnson and Kelly ("The Apprentice") Perdew. New husband Fabian Basabe showed, too, without bride Martina Borgomanero, and worked the red carpet. The winner, who also got a \$250,000 modeling contract, was Brazilian Camila Finn (above), all of 14. She might look even better when she grows up.

## IT'S THE TRUMAN CAPOTE SHOW

TRUMAN Capote, dead for over 20 years, is suddenly a hot property in Hollywood. The author of "Breakfast at Tiffany's" and "In Cold Blood" is the subject of two new biopics - Warner Independent's "Every Word Is True," based on [REDACTED] Plimpton's 1997 oral history, and United Artists' "Capote," based on the landmark 1988 Gerald Clarke biography. "Capote," due out this fall, stars Phillip Seymour Hoffman, who is talented but a bit burly to play the "tiny terror." "Every Word" stars relatively unknown Toby Jones with an all-star supporting cast including Alan Cumming, Anjelica Huston, Sandra Bullock (as "To Kill a Mockingbird" author Harper Lee), Ashley Judd, Kevin Kline, Gwyneth Paltrow and Sigourney Weaver. Hollywood columnist Jeffrey Wells reports that "Capote" has the advantage of Hoffman in the starring role, while "Every Word," which just started filming, is said to have a much better screenplay.

## Own show

COURTNEY Fine, a former aide to Mayor Bloomberg who left politics to become an actress, is showcasing "Me 2," a play she wrote about a woman jailed for breaking into the bar where she left her cell-phone. Among those invited to last night's opening at the Producers Club 2: Victoria Gotti, Amy Fine Collins and Bloomberg's sister Marjorie Tiven. The show closes after tomorrow's performance.

## Never mind

[REDACTED] Parnham, the lawyer for Andrea Yates, is quick to cash in after winning her a new trial for the murder of her five kids. Parnham, who will try to get Yates off using the insanity defense, is shopping a book, "States of Mind," which will focus on his favorite tricks for defending female killers: postpartum depression, premenstrual syndrome and post-traumatic stress. And he'll include similar cases: Clara Harris, who allegedly ran over her unfaithful husband with her Mercedes Benz, and Lisa Montgomery, who strangled Bobbie Jo Stinnett and then surgically removed her fetus last month.

## [Illustration]

-Kate Reardon; Camila Finn -SINGER ALICIA KEYS KEEPS HER BOD BUFF BY JOGGING ON THE BEACH IN BARBADOS YESTERDAY. [ZUMA PRESS] -ANY MAN WHO WINS THE HEART OF NICOLE KIDMAN, PICTURED HERE IN A SHOOT FOR THE NEW ISSUE OF IN STYLE, IS A LUCKY DOG. HER LATEST CRUSH, SHE TELLS THE MAG, IS PHILIP ROTH, 71, WHO WROTE THE NOVEL "THE HUMAN STAIN," THE BASIS FOR HER 2003 FILM. [RUVEN AFANADOR FOR IN STYLE]

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permission.

People: Gonzalez, Efrain III, Epstein, Jeffrey, Rich, Denise, Allen, Paul, Reardon, Kate

Section: *Page Six*

Text Word Count 1520

Document URL:

## **RADAR COMEBACK - ROSHAN GETS BIG-TIME BACKERS WITH BANKROLL**

*KEITH J. KELLY. New York Post. New York, N.Y.: Oct 19, 2004. pg. 037*

People: Roshan, Maer, Zuckerman, Mort, Epstein, Jeffrey  
Companies: Radar Media LLP  
Section: *Business*  
Text Word Count 484  
Document URL:

### **Abstract** (Document Summary)

Maer Roshan's Radar magazine is making another comeback - this time with backers who may be willing to bankroll him with millions.

Roshan had tried to get [Mort Zuckerman] and company to back Radar after the New York bid fell apart, but at first nothing came of the talks.

"That deal just didn't work out on terms that were acceptable to us," said Doug Hand, ...



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"That deal just didn't work out on terms that were acceptable to us," said Doug Hand, an attorney who handled the negotiations with Zuckerman and [Jeffrey Epstein] on Roshan's behalf.

### **Full Text** (484 words)

*(Copyright 2004, The New York Post. All Rights Reserved)*

Maer Roshan's Radar magazine is making another comeback - this time with backers who may be willing to bankroll him with millions.

How many millions is open to debate.

Mort Zuckerman, owner of the Daily News and U.S. News & World Report, has teamed with Jeffrey Epstein as the primary backers of a new and improved Radar, set to launch as a monthly in April 2005.

Radar put out only two issues before it ran out of money last year, with the third issue stranded on the drawing board.

"It's not a Daily News or a U.S. News publication," said Roshan. "It's a new publishing company."

Radar Media LLP, the previous company, is selling assets only to the new company.

The old company will be dissolved and there is already a dispute as to how the money will be divvied up among the still unpaid creditors, which includes freelancers.

"I don't know if it will be possible to pay everyone in full," said Michael North, the attorney handling the dissolution.

But Roshan insisted, "There is no reason to assume they won't be paid."

It's not the first time that Roshan has talked with Zuckerman about a magazine venture.

Zuckerman, Epstein and a collection of media heavyweights that included Harvey Weinstein, Nelson Peltz and media critic Michael Wolff had tried to buy New York magazine but lost out to Bruce Wasserstein at the eleventh hour.

Roshan was being talked about as a potential editor in chief.

Roshan had tried to get Zuckerman and company to back Radar after the New York bid fell apart, but at first nothing came of the talks.

Roshan next turned to a French Moroccan businesswoman, Maria Oufkin, but after a brief flurry of publicity, she faded.

"That deal just didn't work out on terms that were acceptable to us," said Doug Hand, an attorney who handled the negotiations with Zuckerman and Epstein on Roshan's behalf.

How much is committed this time is open to speculation.

One source said that it would take a minimum of \$20 million to launch a magazine but more realistically, it would take several times that over a five or six year period.

Talk magazine, where Roshan was deputy editor near the end of its run, cost its joint venture partners Miramax and Hearst about \$55 million before it shut down in early 2002 after nearly two and a half years of publication.

"I can't tell you the commitment," said Hand of the new backers. "It's significant and we're happy with it."

Said Roshan, "Just because we have backers, doesn't mean we're going to turn into Talk. We're still going to be lean. We'll have the funding to do what we like, but I'm not interested in town cars."

He said he hopes to have about a half million in circulation eventually for the new Radar.

**[Illustration]**

-MAER ROSHAN Patience pays off. -MORT ZUCKERMAN Ponies up \$\$.

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People: Roshan, Maer, Zuckerman, Mort, Epstein, Jeffrey

Companies: Radar Media LLP

Section: *Business*

Text Word Count 484

Document URL:

## RADAR HITS RELAUNCH TARGET - PARTY HIGHLIGHT: GAWKER'S DENTON GETS PIE IN EYE

Keith J. Kelly. *New York Post*. New York, N.Y.: May 20, 2005. pg. 034

### Abstract (Document Summary)

CONTROVERSY flared at the Radar launch party when [GAWKER] founder Nick Denton was hit with a creamy gooey pie as he sidled up next to magazine founder Maer Roshan for a photo op.

Denton then promptly dumped his glass of red wine on Roshan's head. Roshan professed to be as surprised as anyone (and in fact was one of several bystanders hit with splatter from the Unknown Pie Guy). They later retreated to Roshan's hotel suite, Roshan changed clothes and even let Denton shower.

SMASHED: Gawker's Nick Denton smiles after getting pied at the Radar relaunch party. Maer Roshan (top, right), the mag's founder, was nearby. [Suzanne Boyd], Suede editor before it folded, was also at the soiree. [WireImage, Marina Garnier]

### Full Text (876 words)

*(Copyright 2005, The New York Post. All Rights Reserved)*

CONTROVERSY flared at the Radar launch party when Gawker founder Nick Denton was hit with a creamy gooey pie as he sidled up next to magazine founder Maer Roshan for a photo op.

Gawker, a media-centric Web site which for weeks has had been needling Radar and its self promoting founder, sarcastically calling it, "Radar, the Greatest American Magazine Launch."

The photo op was seen as a chance to make nice between Roshan and Denton to prove they were willing to let bygones be bygones, blah, blah.

Then the peace accord was ruptured as a burly unknown person broke through the throng and smashed the custard pie squarely into the face of Denton and dashed out, leaving no clue as to his identity. He was wearing an English-soccer style shirt and a New York Knicks hat.

Denton, his face and clothes a mess from the ambush, assumed he had been set up by Roshan. (In an early version of the event that he posted on his own Web site, he insisted he had only been hit with a glancing blow from the pie tosser, but had to retract that version when photos turned up).

Denton then promptly dumped his glass of red wine on Roshan's head. Roshan professed to be as surprised as anyone (and in fact was one of several bystanders hit with splatter from the Unknown Pie Guy). They later retreated to Roshan's hotel suite, Roshan changed clothes and even let Denton shower.

He also rummaged around and found a T-shirt and pants for Denton to wear for the rest of the night.

Denton, despite the good turn done by Roshan still feels it was a set-up by event planner Nadine Johnson.

"It is pretty clear it was one of Nadine Johnson's hires," said Denton. "It was nicely staged, but the execution left a lot to be desired since Maer was hit too."

"What baffles me is why they would want their launch event hijacked by that kind of publicity?" asked Denton. "I heard Mort Zuckerman slipped in the goo," said Denton.

"He had to have the whole thing explained to him, including what a blog is."

Daily Snooze owner Zuckerman and billionaire financier Jeffrey Epstein were both on hand, but were out of

range when the pie started flying. The two billionaires are 50-50 partners in the venture.

Drew Kerr, a spokesman for Roshan, and the party planner, both deny that it was a Radar plant.

"No one was hired by anyone to throw a pie," said a spokesperson for Johnson.

On the business side, William Holiber, the president of U.S. News & World Report, which is also owned by Zuckerman, was on hand.

Media Ink on April 8 reported that he had been drafted into action when launch publisher Linda Sepp, a Zuckerman pal, was given the boot weeks before the launch.

At the time, a Zuckerman spokesman was insisting that Holiber was only helping out on Radar in an "informal and advisory role" and had no official title on Radar.

But when the debut issues were handed out, there was Holiber, proudly pointing out his designation as Radar's president.

Sepp was nowhere in sight at the party or on the masthead but a former Sports Illustrated associate publisher, Grayle Howlett was, handing out his very own Radar publisher card.

Also on hand was Suzanne Boyd, who was the editor-in-chief of Time Inc.'s short-lived urban-fashion magazine Suede.

She quit the publishing company and took a buyout on the remaining year of her two-year contract rather than accept a position as an editor-at-large in magazine development.

That move is considered a blow to Time Inc. A company spokesman confirmed that she had declined the company offer.

The statuesque fashion editor had been running Flare, the Toronto-based fashion bible of Canada for 7 years when she was picked by Ed Lewis, then the head of Essence Communications, and Isolde Motley, the corporate editor of Time, to launch Suede, which was envisioned as a hot new fashion magazine for women of color.

Boyd arrived in March of last year and cranked out the first issue by the end of the summer - considered a breakneck pace in magazine land.

As the launch was progressing, Time was in the process of negotiating to convert Essence Communications into a 100 percent-owned subsidiary by buying out Lewis.

Suddenly, in the weeks before the buyout was finalized, a stunned Boyd got the word that the plug was being pulled on the new magazine after publishing only two issues.

In its public announcement, Time Inc. had insisted that it was only suspended, but the staff was let go.

Now Boyd, the last link, has quit the company and is weighing her options.

Insiders believed that Time Inc. was disappointed by the costs and the lower-than-hoped-for newsstand sales of the first two issues.

Industry sources say the biggest obstacle to Suede's funding may have been the losses that Life magazine was piling up as a weekly insert into daily newspapers.

#### [Illustration]

SMASHED: Gawker's Nick Denton smiles after getting pied at the Radar relaunch party. Maer Roshan (top,



right), the mag's founder, was nearby. Suzanne Boyd, Suede editor before it folded, was also at the soiree.  
[WireImage, Marina Garnier]

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Companies: Time Inc(Ticker:TL, NAICS: 511120, Duns:00-121-3446 )

Section: *Business*

Text Word Count 876

Document URL:

## SINGLING OUT APPLE'S TOP STUDS

Richard Johnson. **New York Post**. New York, N.Y.: Dec 28, 2003. pg. 012

### Abstract (Document Summary)

ANDRE BALAZS, 46. The ever-smiling hotelier - who owns The Mercer in Soho, Chateau Marmont and the Standard in L.A., the Raleigh in Miami, Sunset Beach on Shelter Island, and a new place in St. Barts - just split from his wife Katie Ford. Pro: Recently was reported skinny-dipping. Con: Seems to be giving Uma Thurman more than his shoulder to cry on.

JEFFREY EPSTEIN, 50. Mystery billionaire was a math teacher at Dalton just a few years ago. Then he started handling Leslie Wexner's money. Now he lives in Manhattan's biggest mansion. Pro: Has a private plane which he used to take Bill Clinton to Africa. Con: Was one of Mort Zuckerman's partners in failed attempt to buy New York magazine. CHRIS BARISH, 30. The son of Planet Hollywood tycoon and movie producer Keith Barish recently sold out his interest in three Las Vegas nightclubs to Kirk Kerkorian for \$10 million. Pro: You'll never have to wait on line or pay for a drink at Marquee, his new club. Con: You might never get to sleep before 3 a.m.

JIMMY RODRIGUEZ, 41. Since dropping out of high school, he's built a four-restaurant empire with eateries in the Bronx, Harlem, Sutton Place and City Island. Pro: Is pals with hip-hop stars, Yankees and Knicks. Con: Is pals with hip-hop stars, Yankees and Knicks.

### Full Text (1905 words)

*(Copyright 2003, The New York Post. All Rights Reserved)*

New York has the smartest, toughest, most ambitious men in the world, and some of them are still single - or newly single, having gotten divorced. We went through our multiple data bases, interviewed the experts, polled our readers, and came up with this definitive PAGE SIX list of the city's most eligible guys.

They come from all sorts of backgrounds and generations, with different talents and widely divergent incomes. The only thing they have in common is they like women.

We rejected some men because they seem to be in long-term romances heading toward marriage, others because it seems they'll never marry. To the many men who think they belong on the list, there's always next year.

DEREK JETER, 29. The Yankee shortstop's sex-symbol status has only grown since he was stalked by Mariah Carey, and mocked in American Express ads for his propensity to party. Pro: Great seats for the World Series. Con: Demands near-perfection - at least visually - in his dates.

ED SKYLER, 30. Tall, dark, super-serious mayoral press secretary went to Collegiate, then the University of Pennsylvania. His sister is a successful playwright. Pro: He can give you a private tour of City Hall and Gracie Mansion. Con: A romantic evening would end early because Skyler works 18 hours a day, starting before dawn.

JOHN UTENDAHL, 46. He's 6-foot-3, with movie star looks - and he is chairman and CEO of Utendahl Capital Partners, the largest minority-owned investment bank in America. Pro: Plenty of closet space in his Brooklyn Heights townhouse and his weekend place in Quogue. Con: Plan on being a golf widow - he runs a charity tournament every year in Boca Raton, Fla.

JEREMY SHOCKEY, 23. The Giants' tight end became a fan favorite with his first tackle-breaking game. Now he's the biggest local gridiron personality since Joe "Willie" Namath. Pro: Quite single despite his friendship with babelicious Britny Gastineau. Con: His big mouth often misfires, as when he blasted Giants fans because they had the nerve to boo him and his disappointing teammates.

ANDRE BALAZS, 46. The ever-smiling hotelier - who owns The Mercer in Soho, Chateau Marmont and the Standard in L.A., the Raleigh in Miami, Sunset Beach on Shelter Island, and a new place in St. Barts - just split from his wife Katie Ford. Pro: Recently was reported skinny-dipping. Con: Seems to be giving Uma Thurman

more than his shoulder to cry on.

**ETHAN HAWKE, 33.** The adulterer/actor finally shed his pretty-boy image this summer, brazenly cheating on wife Uma Thurman. Pro: Plenty of women would like a shot at taming this rogue bull. Con: Might guilt you into reading one of his weak novels.

**ROCCO DISPIRITO, 37.** The dashing owner of Union Pacific and star of his own reality show has cooked for just about every hip hottie in town. Pro: He might be ready to settle down in the next few years (Yeah, right). Con: If you haven't already dated him, one of your friends has.

**ANDRE 3000, 28.** With this year's smash hit "Hey Ya," the fun half of hip-hop duo Outkast has gone from cult figure to mainstream superstar. Pro: His minimalist posse includes as few as four members. Con: Recently moved to Brooklyn and might not realize that only the lamest of the lame frequent Williamsburg nightspots.

**PHARRELL WILLIAMS, 30.** Pop production whiz's maddeningly catchy beats legitimized Justin Timberlake, and cameos of his Curtis Mayfield-like falsetto are becoming ubiquitous on hits by Jay-Z and others. Pro: Makes more than you do in a year to tweak a Britney Spears song. Con: Approaching a P. Diddy-like level of overexposure.

**JIMMY FALLON, 29.** We don't know if it's his cuddly demeanor or uncanny impersonation skills, but the resident hunk on "Saturday Night Live" is catnip to the ladies. Pro: Likes to play the jukebox at Hell's Kitchen dive bars. Con: If he stays over your house, make sure to have extra hair product for his artfully mussed 'do.

**DAMON DASH, 32.** Brash CEO of Rocawear clothing line and Roc-a-Fella Records also owns a film company, vodka line, nightclub, and he's undoubtedly planning a new project as you read this. Pro: One of the city's reigning rapresarios. Con: Is prone to obnoxious harangues against his underlings or those who question his importance.

**JULIAN CASABLANCAS, 25.** Doe-eyed son of Elite Models founder John Casablancas sings for hot rock band The Strokes. Pro: His band is actually good. Con: Wears "ironic" 1980s concert T-shirts by Def Leppard and Michael Jackson.

**SHEPHERD SMITH, 39.** Next to the blustery Bill O'Reilly, this Southern-fried anchorman is probably the most recognizable face on the top-rated Fox News Channel. Pro: His sprawling Lower East Side pad has a pool table. Con: A road rager who was arrested in 2000 for hitting a reporter with his car in a dispute over a parking space in Tallahassee, Fla.

**PAOLO ZAMPOLLI, 33.** Italian owner of ID Models can usually be found sitting in a corner banquette of whatever club just opened surrounded by a bevy of beauties. Pro: Throws great parties in his downtown loft. Con: If you're not 5-foot-11 with cheekbones that cut glass, he probably won't remember your name.

**ADRIEN BRODY, 30.** Haunted-looking actor famously kissed Halle Berry while accepting his Oscar for "The Pianist." Pro: Makes moody trip-hop music under the alias, "A. Ranger." Con: Is serious with girlfriend Michelle Dupont, a music-industry personal assistant.

**JEFFREY EPSTEIN, 50.** Mystery billionaire was a math teacher at Dalton just a few years ago. Then he started handling Leslie Wexner's money. Now he lives in Manhattan's biggest mansion. Pro: Has a private plane which he used to take Bill Clinton to Africa. Con: Was one of Mort Zuckerman's partners in failed attempt to buy New York magazine. **CHRIS BARISH, 30.** The son of Planet Hollywood tycoon and movie producer Keith Barish recently sold out his interest in three Las Vegas nightclubs to Kirk Kerkorian for \$10 million. Pro: You'll never have to wait on line or pay for a drink at Marquee, his new club. Con: You might never get to sleep before 3 a.m.

**BILLY CRUDUP, 35.** The hunky actor dumped Mary Louise Parker when she was 8 1/2 months pregnant and ran off with Claire Danes, but that might not last too long either. Pro: Critics loved his performance in Tim Burton's "Big Fish." Con: A true heart-breaker.

**LENNY KRAVITZ, 39.** The super-modelizer had a big hit with "Let Love Rule," but hasn't fallen in love himself

since the end of his marriage to Lisa Bonet that produced a daughter, Zoe, 15. Pro: Has a beautiful loft downtown he rented to Nicole Kidman, who then started dating him. Con: The funky fashions make him seem narcissistic.

DONALD TRUMP JR., 25. The first-born son of The Donald and his first wife Ivana is following in his father's footsteps, not only developing buildings, but taking center stage to sell the apartments. Pro: Weekend flights down to Mar-a-lago on the family jet. Con: his dad, who owns Miss Universe, has extremely high standards when it comes to the female form.

CHRIS HEINZ, 30. The billionaire ketchup heir has captured the attention of many Manhattanites, including Gwyneth Paltrow (pre- Chris Martin). Pro: Tall, dark and handsome, he even has a sense of humor. Con: Likes lost causes - he quit his banking job to work for his stepfather John Kerry's foundering campaign.

JONATHAN TISCH, 50. The charming Loews hotel chain chairman is a regular on the social and charity circuit. Back on the market and looking for a date after breaking off his wedding to Jill Swid. Pro: Has deep pockets and hotels in every port. Con: Notoriously marriage-phobic.

ANDREW CUOMO, 46. After a nasty split with his wife Kerry Kennedy, the failed gubernatorial candidate has been quietly dating again. Pro: He's capable and articulate and has nowhere to go but up from here. Con: Sometimes comes off as arrogant and self-absorbed.

CHARLES ROCKEFELLER, 30. The tall, blond Rockefeller heir has got looks, money, and impeccable manners and, duh! . . . he's a Rockefeller! Pro: Occasionally entertains at the dynastic estate, Pocantico Hills. Con: Is it boyish charm, or just boyish?

MARCUS SAMUELSSON, 33. The studly chef/owner of Aquavit - who once made People magazine's Sexiest list - has a new eatery, Riingo, in the new Alex Hotel. Pro: He cooks and does dishes! Con: All chefs keep late hours, and they fraternize after hours with the waitresses.

JONATHAN KRAMER, 29. Grungy artist has been making a living out of painting since he was in college. Not new to the spotlight (he did date Sophie Dahl), Kramer can be found frequenting Rene Risque concerts. Pro: Is good company and may offer to paint you. Con: Likes to travel around town on a skateboard - with no sidecar for a date.

DAN ABRAMS, 36. The MSNBC newscaster, the son of legendary First Amendment lawyer Floyd Abrams, is one of the few talking heads smart enough to cover legal issues. Pro: Your mother will love him. Con: MSNBC ratings are so low, no one gets to see him.

JAMIE JOHNSON, 23. The Johnson & Johnson heir burst onto the scene last year at Sundance with his documentary "Born Rich," which showed the pathetic underbelly of his - and his pals' - "blessed" lives. Pro: The kid's got talent! Con: He sold out his friends, and that nasal voice could cut glass.

ROFFREDO GAETANI, 50. The strapping former boxer is an Italian count distantly related to a pope. He was a close friend of late Fiat chairman Gianni Agnelli, who set Roffredo up with Ferrari dealerships. Pro: The old world charm is such that he kisses women's hands. Con: Has been very busy, especially with models. Ivana Trump was just his most famous conquest.

REP. ANTHONY WEINER, 38. The Brooklyn Democrat is ambitious and hard-working, and had the good sense to hire the extremely capable Serena Torrey as one of his aides. Pro: Being touted as a possible candidate for mayor. Con: Could be cruelly described as a pencil-necked geek.

ERIC VILLENCY, 28. Dashing president and creative director of Maurice Villency, a chain of furniture stores founded by his grandfather in 1932. Pro: He sponsors fashion designers so he gets front-row seats to all the shows. Con: Seems serious with his girlfriend of over a year, gorgeous Olivia Chantecaille.

ADAM CLAYTON POWELL, 41. The state assemblyman resembles his legendary father, the congressman for whom a boulevard in Harlem is named. His mother was a famous beauty in Puerto Rico, where young Adam

grew up. He plans someday to oust his nemesis, Rep. Charlie Rangel, and take over his seat. Pro: Has a yacht at City Island where he entertains bikini babes. Con: Has a tendency to back losers.

FREDERIC FEKKAI, 44. Handsome French haircutter has charmed the pants off Libet Johnson, Patricia Duff and other blondes too numerous to mention. Meanwhile, he's been branding his name and marketing hair care products. Pro: You'll never have a bad hair day. Con: He might be a bit spoiled. One rich girlfriend supposedly gave him a Gulfstream jet, and it wasn't even Christmas.

JIMMY RODRIGUEZ, 41. Since dropping out of high school, he's built a four-restaurant empire with eateries in the Bronx, Harlem, Sutton Place and City Island. Pro: Is pals with hip-hop stars, Yankees and Knicks. Con: Is pals with hip-hop stars, Yankees and Knicks.

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Companies: Apple Computer Inc(Ticker:AAPL, NAICS: 334111, Duns:06-070-4780 )

Section: Page Six

Text Word Count 1905

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**THE TITLE FIGHT: NEW YORK - THE MAGAZINE, THAT IS - AWAITS NEW OWNER**  
*KEITH J. KELLY. New York Post. New York, N.Y.: Dec 14, 2003. pg. 031*

People: Kravis, Henry, Deutsch, Donny, Weinstein, Harvey, Wolff, Michael, Zuckerman, Mort  
Section: *Business*  
Text Word Count 441  
Document URL:

**Abstract (Document Summary)**

**BIDDER:** David Pecker's American Media **BIDDER:** Investor group of U.S. News and World Report boss Mort Zuckerman, Miramax co-Chairman [Harvey Weinstein], Cablevision CEO Jimmy Dolan, bigtime adman [Donny Deutsch] and New York Columnist [Michael Wolff].

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The editing question has mostly centered on the Zuckerman team. Since Wolff bought in Deutsch and [Jeffrey Epstein], the New York mag columnist undoubtedly expects to be picked as some kind of editorial uber boss. Weinstein is in the coalition but is still smarting over the drubbing he took in Wolff's book, "Autumn of the Moguls."

### Full Text (441 words)

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In the weeks to come, the city's chattering classes will be consumed with handicapping who'll be editor-in-chief of New York magazine after Henry Kravis and Primedia get through selling it.

Nobody was talking officially last week, pending a deal as final bids arrived Thursday. The consensus is the highest offer is for about \$55 million - coming from a motley team of millionaires and billionaires around Mort Zuckerman.

The coalition includes: Zuckerman, the owner of the Daily News and U.S. News & World Report; billionaire financier Nelson Peltz; mysterious money manager Jeffrey Epstein; ad executive Donny Deutsch, Miramax co-chairman Harvey Weinstein; and non-cash contributors Michael Wolff of New York magazine and possibly Jim Dolan, CEO of Cablevision.

The other two rival bidders are almost diametrically opposite: Bill Curtis' Curtco Media publishes super-upscale glossies, The Robb Report and Worth. American Media publishes the downmarket supermarket tabloids National Enquirer, Star and Globe, plus health and fitness magazines such as Men's Fitness and Shape.

"Whoever the editor is has to have a strong point of view," offers Clay Felker, who launched the magazine as an independent weekly in 1967. It was not a particularly bright time in the city. But Felker and his young writers took on the challenges, exposing the best and the worst of the city. "We believed the city was the imperial center of the United States and possibly the world," he said.

The editing question has mostly centered on the Zuckerman team. Since Wolff bought in Deutsch and Epstein, the New York mag columnist undoubtedly expects to be picked as some kind of editorial uber boss. Weinstein is in the coalition but is still smarting over the drubbing he took in Wolff's book, "Autumn of the Moguls."

Weinstein is thought to favor Radar founder Maer Roshan as editor. New York Observer Editor Peter Kaplan's name has surfaced - but he and Wolff have had a public feud.

A deal on the winning bid could be announced early next week. The announcement would probably be delayed until after the annual New York Awards, being staged tomorrow at the Four Seasons.

The world has changed and the question now is: can the new owners regain that old glory - or will there be too many sacred cows in the ownership mix?

As one observer asked as the Zuckerman coalition emerged as the favorite, "Who will be left to make fun of?"

Henry Kravis, watch out.

**[Illustration]**

BIDDER: David Pecker's American Media BIDDER: Investor group of U.S. News and World Report boss Mort Zuckerman, Miramax co-Chairman Harvey Weinstein, Cablevision CEO Jimmy Dolan, bigtime adman Donny Deutsch and New York Columnist Michael Wolff.

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People: Kravis, Henry, Deutsch, Donny, Weinstein, Harvey, Wolff, Michael, Zuckerman, Mort

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## BILL, STARS ENJOY AFRICAN TREK

New York Post. New York, N.Y.: Sep 25, 2002. pg. 010

### Abstract (Document Summary)

JASON Mewes is alive and well. Mewes, who played the long-haired, drug-loving "Jay" in Kevin Smith's "Clerks," "Mall Rats," "Chasing Amy" and "Jay and Silent Bob Strike Back," was reportedly on the lam or even feared dead after his friends told the Chicago Sun-Times they hadn't seen him in 10 months. An arrest warrant had been issued for him after he violated probation on a heroin conviction. But last month, Mewes made an appearance at a film festival in Malibu to promote his new indie movie "RSVP," and he'll host a talent show Oct. 17 at Marshall University in Huntington, W.Va. "The rumors of his death are greatly exaggerated," chuckled Mewes' agent, Nancy Oeswein. "I just got off the phone with him. He's certainly not in hiding. He just moved to L.A." For some folks, living on the Left Coast is as good as being dead.

IS Sen. John McCain going to quit the Republican Party and become the running mate of Sen. John Kerry in the 2004 presidential race? McCain's chief political adviser, John Weaver, has become a Democrat and is now working for Dick Gephardt. McCain's new legislative director, Christine Dodd, last worked for a liberal congressman - a Democrat. Now Kerry of Massachusetts, who has made clear his plans to run in 2004, is making overtures towards McCain. A rumored head-to-head between Kerry and McCain is said to be scheduled at McCain's cabin in Sedona, Ariz., next month. And for "Man of the People," the new McCain biography by Paul Alexander, Kerry provided a blurb that reads more like a love letter. After noting that McCain's 2000 presidential campaign "set the standard for honor, dignity, courage, and truth," Kerry declares: "I have had no greater privilege in all my life than finding and then standing on common ground with John McCain, and I look forward to fighting side by side with him on yet another day to make our country stronger."

### Full Text (1634 words)

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CALL it "The Three Amigos' Most Excellent African Adventure."

Former President Bill Clinton is on a trip through Ghana, Nigeria, Rwanda, Mozambique and South Africa with Oscar-winning actor Kevin Spacey and Chris Tucker, the star of "Rush Hour" and its sequel.

The three are being flown around Africa on the private plane of financial wizard Jeffrey Epstein. The secretive Epstein handles the billions of Leslie Wexner, head of the retail empire that includes The Limited, Victoria's Secret and Express.

How Clinton, who took off on Saturday, hooked up with his traveling companions is a mystery - as is his relationship to Epstein. Little is known about Epstein except that his offices are in the landmarked Villard House across from Le Cirque, and he once employed Ghislaine Maxwell, daughter of the late British press lord Robert Maxwell, in an unspecified capacity.

But Tucker is playing America's first black president in "Mr. President," a movie he's been working on since 1999. Tucker has already shot footage of Clinton, Nelson Mandela, and Bahrain's crown prince endorsing his candidacy, and the comic accompanied U2 frontman Bono and Treasury Secretary Paul O'Neill on their debt-relief tour of Africa this summer.

At the Congressional Black Caucus' annual awards dinner earlier this month, Clinton mentioned that Tucker had asked to visit him in the Oval Office to prepare for playing the first black president.

"I didn't have the heart to tell him that I've already taken the position," Clinton joked. In an October 1998 essay in The New Yorker, author Toni Morrison argued that Clinton, "white skin notwithstanding, [is] our first black president."

Kevin Spacey has no presidential aspirations we know of. Last we heard, he wanted to portray Bobby Darin. He might be bored during some parts of the trip.

In Ghana, Clinton will launch a new initiative with Peruvian economist Hernando de Soto to give deeds and land titles to poor people who now have no legal status and are considered squatters.

In South Africa, Clinton will deliver a speech and join Mandela in promoting prevention of AIDS. Clinton will also meet in that country with the first class of Clinton Democracy Fellows - 11 young South African men and women who just completed three months in the U.S.

Clinton will also meet with the presidents of the other nations on his itinerary.

#### Perfect angel

THE producer of Tara Reid's latest flick says she's a perfect angel and that Us Weekly misquoted him as saying that he and the bar-friendly hellcat "went out drinking all the time." J. Todd Harris, producer of "Heaven's Pond," blasts Us in a letter to the editor: "I specifically said that our working relationship with the actress was nothing short of spectacular." He also shoots down the mag's source who claims Reid needed to have a baby sitter escort her out every night to make sure she didn't wake up with any regrets.

#### We hear . . .

THAT eyebrows are flexing over tonight's U.N. black-tie dinner honoring Muhammad Ali, Mayor Bloomberg and Paul and Heather Mills McCartney. Seems Heather insists on being referred to as "Lady Heather Mills McCartney" . . . THAT Steve Martin, Paul Morrissey, Glenda Bailey and Elizabeth Kieselstein-Cord attended last night's 15th anniversary party of Modern Painters magazine at the Cheim and Read Gallery.

#### Headlines heal

SARAH Ferguson, the former Duchess of York, credits the media for keeping her weight down. Once dubbed the "Duchess of Pork" by the British press, the now stunning and skinny Weight Watchers rep says every time she thinks of pigging out, she remembers the old headlines. Among those she cited during an appearance at an Albany Weight Watchers seminar, according to The Post's Kenneth Lovett: "Fat, Selfish, Greedy Fergie" and "82 Percent Would Rather Sleep With a Goat." "It does help me when I read articles that [say] the 'slim svelte Fergie,'" Ferguson said. "I don't want them to have a go at me again. I'm tired of that."

#### Lost actor pops up in L.A.

JASON Mewes is alive and well. Mewes, who played the long-haired, drug-loving "Jay" in Kevin Smith's "Clerks," "Mall Rats," "Chasing Amy" and "Jay and Silent Bob Strike Back," was reportedly on the lam or even feared dead after his friends told the Chicago Sun-Times they hadn't seen him in 10 months. An arrest warrant had been issued for him after he violated probation on a heroin conviction. But last month, Mewes made an appearance at a film festival in Malibu to promote his new indie movie "RSVP," and he'll host a talent show Oct. 17 at Marshall University in Huntington, W.Va. "The rumors of his death are greatly exaggerated," chuckled Mewes' agent, Nancy Oeswein. "I just got off the phone with him. He's certainly not in hiding. He just moved to L.A." For some folks, living on the Left Coast is as good as being dead.

#### Sex sells

ABERCROMBIE & Fitch has outdone itself. The store chain's new "magalog," a catalog disguised as a magazine, is even more salacious than past efforts, with a naked Heidi Klum on the cover - one hand hiding her nipples, the other holding a Santa hat over a naked man's crotch. The tag line reads: "180 pages of sex and Xmas fun! Heidi Klum adds inches, Spike Lee catches it on tape, Larry Flynt breaks tapes, Heidi Fleiss gets what she wants, streetcorner Santa brawls and more!" One spy said: "There is a ton of bums and breasts inside. Everyone is naked." The quarterly, targeted at teens and college students, will be featured on "Entertainment Tonight" later this week.

#### Janney's' jam



THE ex-fiancé of Emmy-winning "West Wing" star Allison Janney (above) is being evicted from her Central Park West pad. Janney has been illegally subletting the rent-stabilized, \$1,100-a-month apartment to former beau Dennis Gago, says Keith Rubenstein, a lawyer for landlord Michael Tauber. "We are starting the eviction process," says Rubenstein, who estimated the "fair market" value of Janney's joint at \$3,000 a month. Janney's lawyer, Sam Himmelstein, insists Janney "surrendered possession" of her pad several weeks ago to the landlord. "Her ex-fiancé believes that he has the succession rights to the apartment, but she has nothing to do with that," he said.

#### Flasher chic

WONDER why Stella McCartney never took her black satin coat off during the opening of her boutique last Friday? She had nothing under it but a very sexy bra and satin knickers. The highlight of the afterparty at Gaslight was Stella, Gwyneth Paltrow and Usher singing karaoke for the likes of Bono, Britney Spears, Liv Tyler, Debbie Harry, Russell Simmons, Graydon Carter, Christy Turlington, Karolina Kurkova, Helena Christensen and others too fashionable to mention.

#### Dueling Dems

DON'T invite Ed Koch and Pete Grannis to the same political party. The former mayor has no use for the assemblyman who has represented the Upper East Side for 28 years. The feud began with Koch's endorsement of Andrew Eristoff, a Republican challenger for the State Senate seat currently occupied by Democrat Liz Krueger. Grannis observed in community weekly *Our Town*: "Our former mayor seems to have a thing for Republicans and an aversion to endorsing women of either party." Now Koch has responded in a letter to *Our Town* to Grannis' "gutter attack" and "vile comments." Koch lists no fewer than 9 women he's endorsed for election over the years, plus seven women he appointed to office, and concludes, "I am sure Grannis has harbored thoughts of higher office, indeed ran for Congress and lost. I doubt that he will ever attain higher office, and I truly believe he does not deserve the office he currently holds and has held for 28 years."

#### Single again

THIS year's ladies' man, Matthew Perry, is single again. After squiring around Amanda Peet, Jennifer Capriati and a host of other hot young things this summer, the "Friends" star was on the prowl Sunday night. After losing the Emmy to his co-star Matt LeBlanc, Perry and Hank Azaria showed up in fine spirits to the Glamour/Entertainment Weekly post-Emmy party at the Mondrian in Los Angeles and flirted with a gaggle of girls. "He was so excited he started to sweat and had to massage his head," said our spy. Perry eventually left alone.

#### MCCAIN MUTINY IN WORKS?

IS Sen. John McCain going to quit the Republican Party and become the running mate of Sen. John Kerry in the 2004 presidential race? McCain's chief political adviser, John Weaver, has become a Democrat and is now working for Dick Gephardt. McCain's new legislative director, Christine Dodd, last worked for a liberal congressman - a Democrat. Now Kerry of Massachusetts, who has made clear his plans to run in 2004, is making overtures towards McCain. A rumored head-to-head between Kerry and McCain is said to be scheduled at McCain's cabin in Sedona, Ariz., next month. And for "Man of the People," the new McCain biography by Paul Alexander, Kerry provided a blurb that reads more like a love letter. After noting that McCain's 2000 presidential campaign "set the standard for honor, dignity, courage, and truth," Kerry declares: "I have had no greater privilege in all my life than finding and then standing on common ground with John McCain, and I look forward to fighting side by side with him on yet another day to make our country stronger."

#### [Illustration]

-Allison Janney, Stella McCartney -Just call him David Cop-a-feel. Modelizing magician David Copperfield seems to have cast his spell over two babealicious blondes. We caught Copperfield holding hands with Marilyn Gurna (above), 21, an Estonian-born assistant manager at Nello's. Copperfield has been wooing the gorgeous Gurna for a few weeks now, but it didn't stop him from stepping out with another squeeze (below) on Madison Avenue just a week earlier. [redacted] Schwartzwald (above); Adam Nemser/PHOTOLink (below) [color] - Matthew Perry. LFI [color]

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People: Clinton, Bill, Tucker, Chris, Epstein, Jeffrey, McCain, John, Kerry, John F

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Vanity Fair

March 2003

SECTION: The Talented Mr. Epstein; No. 511; Pg. 300

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Lately, Jeffrey Epstein's high-ying style has been drawing oohs and aahs: the bachelor nancier lives in New York's largest private residence, claims to take only billionaires as clients, and ies celebrities including Bill Clinton and Kevin Spacey on his Boeing 727. But pierce his air of mystery and the picture changes. VICKY WARD explores Epstein's investment career, his ties to retail magnate Leslie Wexner, and his complicated past

BYLINE: Vicky Ward, Contributing Editor

BODY:

On Manhattan's Upper East Side, home to some of the most expensive real estate on earth, exists the crown jewel of the city's residential town houses. With its 15-foot-high oak door, huge arched windows, and nine floors, it sits on-or, rather, commands-the block of 71st Street between Fifth and Madison Avenues. Almost ludicrously out of proportion with its four- and five-story neighbors, it seems more like an institution than a house. This is perhaps not surprising-until 1989 it was the Birch Wathen private school. Now it is said to be Manhattan's largest private residence.

Inside, amid the flurry of menservants attired in sober black suits and pristine white gloves, you feel you have stumbled into someone's private Xanadu. This is no mere rich person's home, but a high-walled, eclectic, imperious fantasy that seems to have no boundaries.

The entrance hall is decorated not with paintings but with row upon row of individually framed eyeballs; these, the owner tells people with relish, were imported from England, where they were made for injured soldiers. Next comes a marble foyer, which does have a painting, in the manner of Jean Dubuffet ... but the host coyly refuses to tell visitors who painted it. In any case, guests are like pygmies next to the nearby twice-life-size sculpture of a naked African warrior.

Despite its eccentricity the house is curiously impersonal, the statement of someone who wants to be known for the scale of his possessions. Its occupant, financier Jeffrey Epstein, 50, admits to friends that he likes it when people think of him this way. A good-looking man, resembling Ralph Lauren, with thick gray-white hair and a weathered face, he usually dresses in jeans, knit shirts, and loafers. He tells people he bought the house because he knew he "could never live anywhere bigger." He thinks 51,000 square feet is an appropriately large space for someone like himself, who deals mostly in large concepts-especially large sums of money.

## The Talented Mr. Epstein; Lately, Jeffrey Epstein's high-ying style

Guests are invited to lunch or dinner at the town house—**Epstein** usually refers to the former as "tea," since he likes to eat bite-size morsels and drink copious quantities of Earl Grey. (He does not touch alcohol or tobacco.) Tea is served in the "leather room," so called because of the cordovan-colored fabric on the walls. The chairs are covered in a leopard print, and on the wall hangs a huge, Oriental fantasy of a woman holding an opium pipe and caressing a snarling lionskin. Under her gaze, plates of finger sandwiches are delivered to **Epstein** and guests by the menservants in white gloves.

Upstairs, to the right of a spiral staircase, is the "office," an enormous gallery spanning the width of the house. Strangely, it holds no computer. Computers belong in the "computer room" (a smaller room at the back of the house), **Epstein** has been known to say. The office features a gilded desk (which **Epstein** tells people belonged to banker J. P. Morgan), 18th-century black lacquered Portuguese cabinets, and a nine-foot ebony Steinway "D" grand. On the desk, a paperback copy of the Marquis de Sade's *The Misfortunes of Virtue* was recently spotted. Covering the floor, **Epstein** has explained, "is the largest Persian rug you'll ever see in a private home—so big, it must have come from a mosque." Amid such splendor, much of which reflects the work of the French decorator Alberto Pinto, who has worked for Jacques Chirac and the royal families of Jordan and Saudi Arabia, there is one particularly startling oddity: a stuffed black poodle, standing atop the grand piano. "No decorator would ever tell you to do that," **Epstein** brags to visitors. "But I want people to think what it means to stuff a dog." People can't help but feel it's **Epstein's** way of saying that he always has the last word.

In addition to the town house, **Epstein** lives in what is reputed to be the largest private dwelling in New Mexico, on an \$18 million, 7,500-acre ranch which he named "Zorro." "It makes the town house look like a shack," **Epstein** has said. He also owns Little St. James, a 70-acre island in the U.S. Virgin Islands, where the main house is currently being renovated by Edward Tuttle, a designer of the Amanresorts. There is also a \$6.8 million house in Palm Beach, Florida, and a fleet of aircraft: a Gulfstream IV, a helicopter, and a Boeing 727, replete with trading room, on which **Epstein** recently flew President Clinton, actors Chris Tucker and Kevin Spacey, supermarket magnate Ron Burkle, Lew Wasserman's grandson, Casey Wasserman, and a few others, on a mission to explore the problems of aids and economic development in Africa.

**Epstein** is charming, but he doesn't let the charm slip into his eyes. They are steely and calculating, giving some hint at the steady whir of machinery running behind them. "Let's play chess," he said to me, after refusing to give an interview for this article. "You be white. You get the first move." It was an appropriate metaphor for a man who seems to feel he can win no matter what the advantage of the other side. His advantage is that no one really seems to know him or his history completely or what his arsenal actually consists of. He has carefully engineered it so that he remains one of the few truly baffling mysteries among New York's moneyed world. People know snippets, but few know the whole.

"He's very enigmatic," says Rosa Monckton, the former C.E.O. of Tiffany & Co. in the U.K. and a close friend since the early 1980s. "You think you know him and then you peel off another ring of the onion skin and there's something else extraordinary underneath. He never reveals his hand... He's a classic iceberg. What you see is not what you get."

Even acquaintances sense a curious dichotomy: Yes, he lives like a "modern maharaja," as Leah Kleman, one of his art dealers, puts it. Yet he is fastidiously,

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almost obsessively private-he lists himself in the phone book under a pseudonym. He rarely attends society gatherings or weddings or funerals; he considers eating in restaurants like "eating on the subway"-i.e., something he'd never do. There are many women in his life, mostly young, but there is no one of them to whom he has been able to commit. He describes his most public companion of the last decade, Ghislaine Maxwell, 41, the daughter of the late, disgraced media baron Robert Maxwell, as simply his "best friend." He says she is not on his payroll, but she seems to organize much of his life-recently she was making telephone inquiries to find a California-based yoga instructor for him. (Epstein is still close to his two other long-term girlfriends, Paula Heil Fisher, a former associate of his at the brokerage firm Bear Stearns and now an opera producer, and Eva Andersson Dubin, a doctor and onetime model. He tells people that when a relationship is over the girlfriend "moves up, not down," to friendship status.)

Some of the businessmen who dine with him at his home-they include newspaper publisher Mort Zuckerman, banker Louis Ranieri, Revlon chairman Ronald Perelman, real-estate tycoon Leon Black, former Microsoft executive Nathan Myhrvold, Tom Pritzker (of Hyatt Hotels), and real-estate personality Donald Trump-sometimes seem not all that clear as to what he actually does to earn his millions. Certainly, you won't find Epstein's transactions written about on Bloomberg or talked about in the trading rooms. "The trading desks don't seem to know him. It's unusual for animals that big not to leave any footprints in the snow," says a high-level investment manager.

Unlike such fund managers as [REDACTED] Soros and Stanley Druckenmiller, whose client lists and stock maneuverings act as their calling cards, Epstein keeps all his deals and clients secret, bar one client: billionaire Leslie Wexner, the respected chairman of Limited Brands. Epstein insists that ever since he left Bear Stearns in 1981 he has managed money only for billionaires-who depend on him for discretion. "I was the only person crazy enough, or arrogant enough, or misplaced enough, to make my limit a billion dollars or more," he tells people freely. According to him, the flat fees he receives from his clients, combined with his skill at playing the currency markets "with very large sums of money," have afforded him the lifestyle he enjoys today.

Why do billionaires choose him as their trustee? Because the problems of the mega-rich, he tells people, are different from yours and mine, and his unique philosophy is central to understanding those problems: "Very few people need any more money when they have a billion dollars. The key is not to have it do harm more than anything else... You don't want to lose your money."

He has likened his job to that of an architect-more specifically, one who specializes in remodeling: "I always describe (a billionaire) as someone who started out in a small home and as he became wealthier had add-ons. He added on another addition, he built a room over the garage ... until you have a house that is usually a mess... It's a large house that has been put together over time where no one could foretell the financial future and their accompanying needs."

He makes it sound as though his job combines the roles of real-estate agent, accountant, lawyer, money manager, trustee, and confidant. But, as with Jay Gatsby, myths and rumor swirl around Epstein.

Here are some of the hard facts about Epstein-ones that he doesn't mind people knowing: He grew up middle-class in Brooklyn. His father worked for the city's parks department. His parents viewed education as "the way out" for him and his younger brother, Mark, now working in real estate. Jeffrey started to



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play the piano-for which he maintains a passion-at five, and he went to Brooklyn's Lafayette High School. He was good at mathematics, and in his early 20s he got a job teaching physics and math at Dalton, the elite Manhattan private school. While there he began tutoring the son of Bear Stearns chairman Ace Greenberg and was friendly with a daughter of Greenberg's. Soon he went to Bear Stearns, where, under the mentorship of both Greenberg and current Bear Stearns C.E.O. James Cayne, he did well enough to become a limited partner-a rung beneath full partner. He abruptly departed in 1981 because, he has said, he wanted to run his own business.

Thereafter the details recede into shadow. A few of the handful of current friends who have known him since the early 1980s recall that he used to tell them he was a "bounty hunter," recovering lost or stolen money for the government or for very rich people. He has a license to carry a firearm. For the last 15 years, he's been running his business, J. Epstein & Co.

Since Leslie Wexner appeared in his life-Epstein has said this was in 1986; others say it was in 1989, at the earliest-he has gradually, in a way that has not generally made headlines, come to be accepted by the Establishment. He's a member of various commissions and councils: he is on the Trilateral Commission, the Council on Foreign Relations, the New York Academy of Sciences, and the Institute of International Education.

His current fan club extends to Cayne, Henry Rosovsky, the former dean of Harvard's Faculty of Arts and Sciences, and Larry Summers, Harvard's current president. Harvard law professor Alan Dershowitz says, "I'm on my 20th book... The only person outside of my immediate family that I send drafts to is Jeffrey." Real-estate developer and philanthropist Marshall Rose, who has worked with Epstein on projects in New Albany, Ohio, for Wexner, says, "He digests and decodes the information very rapidly, which is to me terrific because we have shorter meetings."

Also on the list of admirers are former senator [REDACTED] Mitchell and a gaggle of distinguished scientists, most of whom Epstein has helped fund in recent years. They include Nobel Prize winners Gerald Edelman and Murray Gell-Mann, and mathematical biologist Martin Nowak. When these men describe Epstein, they talk about "energy" and "curiosity," as well as a love for theoretical physics that they don't ordinarily find in laymen. Gell-Mann rather sweetly mentions that "there are always pretty ladies around" when he goes to dinner chez Epstein, and he's under the impression that Epstein's clients include the Queen of England. Both Nowak and Dershowitz were thrilled to find themselves shaking the hand of a man named "Andrew" in Epstein's house. "Andrew" turned out to be Prince Andrew, who subsequently arranged to sit in the back of Dershowitz's law class.

Epstein gets annoyed when anyone suggests that Wexner "made him." "I had really rich clients before," he has said. Yet he does not deny that he and Wexner have a special relationship. Epstein sees it as a partnership of equals. "People have said it's like we have one brain between two of us: each has a side."

"I think we both possess the skill of seeing patterns," says Wexner. "But Jeffrey sees patterns in politics and financial markets, and I see patterns in lifestyle and fashion trends. My skills are not in investment strategy, and, as everyone who knows Jeffrey knows, his are not in fashion and design. We frequently discuss world trends as each of us sees them."

By the time Epstein met Wexner, the latter was a retail legend who had built a \$3 billion empire-one that now includes Victoria's Secret, Express, and Bath &

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Body Works-from \$5,000 lent him by his aunt. "Wexner saw in Jeffrey the type of person who had the potential to realize his (Jeffrey's) dreams," says someone who has worked closely with both men. "He gave Jeffrey the ball, and Jeffrey hit it out of the park."

Wexner, through a trust, bought the town house in which **Epstein** now lives for a reported \$13.2 million in 1989. In 1993, Wexner married Abigail Koppel, a 31-year-old lawyer, and the newlyweds relocated to Ohio; in 1996, **Epstein** moved into the town house. Public documents suggest that the house is still owned by the trust that bought it, but **Epstein** has said that he now owns the house.

Wexner trusts **Epstein** so completely that he has assigned him the power of fiduciary over all of his private trusts and foundations, says a source close to Wexner. In 1992, **Epstein** even persuaded Wexner to put him on the board of the Wexner Foundation in place of Wexner's ailing mother. Bella Wexner recovered and demanded to be reinstated. **Epstein** has said they settled by splitting the foundation in two.

**Epstein** does not care that he comes between family members. In fact, he sees it as his job. He tells people, "I am there to represent my client, and if my client needs protecting-sometimes even from his own family-then it's often better that people hate me, not the client."

"You've probably heard I'm vicious in my representation of my clients," he tells people proudly; Leah Kleman describes his haggling over art prices as something like a scene out of the movie Mad Max: Beyond Thunderdome. Even a former mentor says he's seen "the dark side" of **Epstein**, and a Bear Stearns source recalls a meeting in which **Epstein** chewed out a team making a presentation for Wexner as being so brutal as to be "irresponsible."

One reporter, in fact, received three threats from **Epstein** while preparing a piece. They were delivered in a jocular tone, but the message was clear: There will be trouble for your family if I don't like the article.

On the other hand, **Epstein** is clearly very generous with friends. Joe Pagano, an Aspen-based venture capitalist, who has known **Epstein** since before his Bear Stearns days, can't say enough nice things: "I have a boy who's dyslexic, and Jeffrey's gotten close to him over the years... Jeffrey got him into music. He bought him his first piano. And then as he got to school he had difficulty ... in studying ... so Jeffrey got him interested in taking flying lessons."

Rosa Monckton recalls **Epstein** telling her that her daughter, Domenica, who suffers from Down syndrome, needed the sun, and that Rosa should feel free to bring her to his house in Palm Beach anytime.

Some friends remember that in the late 80s **Epstein** would offer to upgrade the airline tickets of good friends by affixing first-class stickers; the only problem was that the stickers turned out to be unofficial. Sometimes the technique worked, but other times it didn't, and the unwitting recipients found themselves exiled to coach. (**Epstein** has claimed that he paid for the upgrades, and had no knowledge of the stickers.) Many of those who benefited from **Epstein's** largesse claim that his generosity comes with no strings attached. "I never felt he wanted anything from me in return," says one old friend, who received a first-class upgrade.

**Epstein** is known about town as a man who loves women-lots of them, mostly young. Model types have been heard saying they are full of gratitude to **Epstein** for flying them around, and he is a familiar face to many of the Victoria's Secret girls. One young woman recalls being summoned by Ghislaine Maxwell to a concert

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at Epstein's town house, where the women seemed to outnumber the men by far. "These were not women you'd see at Upper East Side dinners," the woman recalls. "Many seemed foreign and dressed a little bizarrely." This same guest also attended a cocktail party thrown by Maxwell that Prince Andrew attended, which was filled, she says, with young Russian models. "Some of the guests were horrified," the woman says.

"He's reckless," says a former business associate, "and he's gotten more so. Money does that to you. He's breaking the oath he made to himself-that he would never do anything that would expose him in the media. Right now, in the wake of the publicity following his trip with Clinton, he must be in a very difficult place."

According to S.E.C. and other legal documents unearthed by **Vanity Fair**, Epstein may have good reason to keep his past cloaked in secrecy: his real mentor, it might seem, was not Leslie Wexner but Steven Jude Hoffenberg, 57, who, for a few months before the S.E.C. sued to freeze his assets in 1993, was trying to buy the New York Post. He is currently incarcerated in the Federal Medical Center in Devens, Massachusetts, serving a 20-year sentence for bilking investors out of more than \$450 million in one of the largest Ponzi schemes in American history.

When Epstein met Hoffenberg in London in the 1980s, the latter was the charismatic, audacious head of the Towers Financial Corporation, a collection agency that was supposed to buy debts that people owed to hospitals, banks, and phone companies. But Hoffenberg began using company funds to pay off earlier investors and service a lavish lifestyle that included a mansion on Long Island, homes on Manhattan's Sutton Place and in Florida, and a fleet of cars and planes.

Hoffenberg and Epstein had much in common. Both were smart and obsessed with making money. Both were from Brooklyn. According to Hoffenberg, the two men were introduced by Douglas Leese, a defense contractor. Epstein has said they were introduced by John Mitchell, the late attorney general.

Epstein had been running International Assets Group Inc. (I.A.G.), a consulting company, out of his apartment in the Solo building on East 66th Street in New York. Though he has claimed that he managed money for billionaires only, in a 1989 deposition he testified that he spent 80 percent of his time helping people recover stolen money from fraudulent brokers and lawyers. He was also not above entering into risky, tax-sheltered oil and gas deals with much smaller investors. A lawsuit that Michael Stroll, the former head of Williams Electronics Inc., filed against Epstein shows that in 1982 I.A.G. received an investment from Stroll of \$450,000, which Epstein put into oil. In 1984, Stroll asked for his money back; four years later he had received only \$10,000. Stroll lost the suit, after Epstein claimed in court, among other things, that the check for \$10,000 was for a horse he'd bought from Stroll. "My net worth never exceeded four and a half million dollars," Stroll has said.

Hoffenberg, says a close friend, "really liked Jeffrey... Jeffrey has a way of getting under your skin, and he was under Hoffenberg's." Also appealing to Hoffenberg were Epstein's social connections; they included oil mogul Cece Wang (father of the designer Vera) and Mohan Murjani, whose clothing company grew into Gloria Vanderbilt Jeans. Epstein lived large even then. One friend recalls that when he took Canadian heiress Wendy Belzberg on a date he hired a Rolls-Royce especially for the occasion. (Epstein has claimed he owned it.)

In 1987, Hoffenberg, according to sources, set Epstein up in the offices he still occupies in the Villard House, on Madison Avenue, across a courtyard from the restaurant Le Cirque. Hoffenberg hired his new protege as a consultant at

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\$25,000 a month, and the relationship flourished. "They traveled everywhere together-on Hoffenberg's plane, all around the world, they were always together," says a source. Hoffenberg has claimed that Epstein confided in him, saying, for example, that he had left Bear Stearns in 1981 after he was discovered executing "illegal operations."

Several of Epstein's Bear Stearns contemporaries recall that Epstein left the company very suddenly. Within the company there were rumors also that he was involved in a technical infringement, and it was thought that the executive committee asked that he resign after his two supporters, Ace Greenberg and Jimmy Cayne, were outnumbered. Greenberg says he can't recall this; Cayne denies it happened, and Epstein has denied it as well. "Jeffrey Epstein left Bear Stearns of his own volition," says Cayne. "It was never suggested that he leave by any member of management, and management never looked into any improprieties by him. Jeffrey said specifically, 'I don't want to work for anybody else. I want to work for myself.'" Yet, this is not the story that Epstein told to the S.E.C. in 1981 and to lawyers in a 1989 deposition involving a civil business case in Philadelphia.

In 1981 the S.E.C.'s Jonathan Harris and Robert Blackburn took Epstein's testimony and that of other Bear Stearns employees in part of what became a protracted case about insider trading around a tender offer placed on March 11, 1981, by the Seagram Company Ltd. for St. Joe Minerals Corp. Ultimately several Italian and Swiss investors were found guilty, including Italian financier Giuseppe Tome, who had used his relationship with Seagram owner Edgar Bronfman Sr. to obtain information about the tender offer.

After the tender offer was announced, the S.E.C. began investigating trades involving St. Joe at continued on page 343 continued from page 305 Bear Stearns and other firms. Epstein resigned from Bear Stearns on March 12. The S.E.C. was tipped off that Epstein had information on insider trading at Bear Stearns, and it was therefore obliged to question him. In his S.E.C. testimony, given on April 1, 1981, Epstein claimed that he had found "offensive" the way Bear Stearns management had handled a disciplinary action following its discovery that he had committed a possible "Reg D" violation-evidently he had lent money to his closest friend. (In the 1989 deposition he said that he'd lent approximately \$20,000 to Warren Eisenstein, to buy stock.) Such an action could have been considered improper, although Epstein claimed he had not realized this until afterward.

According to Epstein, Bear Stearns management had questioned him about the loan around March 4. The questioners, Epstein said, were Michael (Mickey) Tarnopol and Alvin Einbender. In his 1989 deposition Epstein recalled that the partner who had made an "issue" of the matter was Marvin Davidson. On March 9, Epstein said, he had met with Tarnopol and Einbender again, and the two partners told him that the executive committee had weighed the offense, together with previous "carelessness" over expenses, and he would be fined \$2,500.

"There was discussion whether, in fact, I had ever put in an airline ticket for someone else and not myself and I said that it was possible, ... since my secretary handles my expenses," Epstein told the S.E.C. In his 1989 testimony he stated that the "Reg D" incident had cost him a shot at partnership that year.

What the S.E.C. seemed to be especially interested in was whether there was a connection between Epstein's leaving and the alleged insider trading in St. Joe Minerals by other people at Bear Stearns:

Q: Sir, are you aware that certain rumors may have been circulating around your firm in connection with your reasons for leaving the firm?

A: I'm aware that there were many rumors.

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Q: What were the rumors you heard?

A: Nothing to do with St. Joe.

Q: Can you relate what you heard?

A: It was having to do with an illicit affair with a secretary.

Q: Have you heard any other rumors suggesting that you had made a presentation or communication to the Executive Committee concerning alleged improprieties by other members or employees of Bear Stearns?

A: I, in fact, have heard that rumor, but it's been from Mr. Harris in our conversation last week.

Q: Have you heard it from anyone else?

A: No.

A little later the interview focuses on James Cayne:

Q: Did you ever hear while you were at Bear Stearns that Mr. Cayne may have trader or insider information in connection with St. Joe Minerals Corporation?

A: No.

Q: Did Mr. Cayne ever have any conversation with you about St. Joe Minerals?

A: No.

Q: Did you happen to overhear any conversations between Mr. Cayne and anyone else regarding St. Joe Minerals?

A: No.

And still later in the questioning comes this exchange:

Q: Have you had any type of business dealings with Mr. Cayne?

A: There's no relationship with Bear Stearns.

Q: Pardon?

A: Other than Bear Stearns, no.

Q: Have you been a participant in any type of business venture with Mr. Cayne?

A: No.

Q: Do you have any expectation of participating in any business venture with Mr. Cayne?

A: No.

Q: Have you had any business participations with Mr. Theram?

A: No; nor do I anticipate any.

Q: Mr. **Epstein**, did anyone at Bear Stearns tell you in words or substance that you should not divulge anything about St. Joe Minerals to the staff of the Securities and Exchange Commission?

A: No.

Q: Has anyone indicated to you in any way, either directly or indirectly, in words or substance, that your compensation for this past year or any future monies coming to you from Bear Stearns will be contingent upon your not divulging information to the Securities and Exchange Commission?

A: No.

Despite the circumstances of **Epstein's** leaving, Bear Stearns agreed to pay him his annual bonus—which he anticipated as being approximately \$100,000.

The S.E.C. never brought any charges against anyone at Bear Stearns for insider trading in St. Joe, but its questioning seems to indicate that it was skeptical of **Epstein's** answers. Some sources have wondered why, if he was such a big producer at Bear Stearns, he would have given it up over a mere \$2,500 fine.

Certainly the years after **Epstein** left the firm were not obviously prosperous ones. His luck didn't seem to change until he met Hoffenberg.

One of **Epstein's** first assignments for Hoffenberg was to mastermind doomed bids to take over Pan American World Airways in 1987 and Emery Air Freight Corp. in 1988. Hoffenberg claimed in a 1993 hearing before a grand jury in Illinois that



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**Epstein** came up with the idea of financing these bids through Towers's acquisition of two ailing Illinois insurance companies, Associated Life and United Fire. "He was hired by us to work on the securities side of the insurance companies and Towers Financial, supposedly to make a profit for us and for the companies," Hoffenberg reportedly told the grand jury. He also alleged that **Epstein** was the "technician," executing the schemes, although, having no broker's license, he had to rely on others to make the trades. Much of Hoffenberg's subsequent testimony in his criminal case has proven to be false, and **Epstein** has claimed he was merely asked how the bids could be accomplished and has said he had nothing to do with the financing of them. Yet Richard Allen, the former treasurer of United Fire, recalls seeing **Epstein** two or three times at the company. He and another executive say they had direct dealing with **Epstein** over the finances. And in his deposition of 1989, **Epstein** stated that he was the one who executed "all" Hoffenberg's instructions to buy and sell the stock. He called it "making the orders." He could not recall whether he had chosen the brokers used.

To win approval from the Illinois insurance regulators for Towers's acquisition of the companies, Hoffenberg promised to inject \$3 million of new capital into them. In fact, in his grand-jury testimony Hoffenberg claimed that he, his chief operating officer, Mitchell Brater, and **Epstein** came up with a scheme to steal \$3 million of the insurance companies' bonds to buy Pan Am and Emery stock. "Jeffrey **Epstein** and Mitch Brater arranged the various brokerage accounts for the bonds to be placed with in New York, and I think one in Chicago, Rodman & Renshaw," Hoffenberg reportedly said. Then, said Hoffenberg, while making it appear as though they were investing the bonds in much safer financial instruments, they used them as collateral to buy the stock. "**Epstein** was the person in charge of the transactions, and Mitchell Brater was assisting him with it in coordination on behalf of the insurance companies' money," Hoffenberg claimed at the time.

At one point, according to Hoffenberg, a broker forged the documents necessary for a \$1.8 million check to be written on insurance-company funds. The check was used to buy more stock in the takeover targets. Meanwhile, in order to throw the insurance regulators off, the \$1.8 million was reported as being safely invested in a money-market account.

United Fire's former chief financial officer Daniel Payton confirms part of Hoffenberg's account. He says he recalls making one or two telephone calls to **Epstein** (at Hoffenberg's direction) about the missing bonds. "He said, 'Oh, yeah, they still exist.' But we found out later that he had sold those assets ... leveraged them ... (and) used some margin account to take some positions in ... Emery and Pan Am," says Payton.

**Epstein's** extraordinary creativity was, according to Hoffenberg, responsible for the purchase by the insurance companies of a \$500,000 bond, with no money down. "**Epstein** created a great scheme to purchase a \$500,000 treasury bond that would not be shown ... (as) margined or collateralized," he reportedly told the grand jury. "It looked like it was free and clear but it actually wasn't," he said.

**Epstein** has denied he ever had any dealings with anyone from the insurance companies. But Richard Allen says he recalls talking to **Epstein** at Hoffenberg's direction and telling him it was urgent they retrieve the missing bonds for a state examination. According to Allen, **Epstein** said, "We'll get them back." He had "kind of a flippant attitude," says Allen. "They never came back."

**Epstein**, according to Hoffenberg, also came up with a scheme to manipulate the price of Emery Freight stock in an attempt to minimize the losses that occurred

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when Hoffenberg's bid went wrong and the share price began to fall. This was alleged to have involved multiple clients' accounts controlled by Epstein.

Eventually, in 1991, insurance regulators in Illinois sued Hoffenberg. He settled the case, and Epstein, who was only a paid consultant, was never deposed or accused of any wrongdoing. Barry Gross, the attorney who was handling the suit for the regulators, says of Epstein, "He was very elusive... It was hard to really track him down. There were a substantial number of checks for significant dollars that were paid to him, I remember... He was this character we never got a handle on. Again we presumed that he was involved with the Pan Am and Emery run that Hoffenberg made, but we never got a chance to depose him."

"From the government's discovery in the main sentencing against Hoffenberg it would seem the government was perhaps a bit lazy," says David Lewis, who represented Mitchell Brater. "They went for what they knew they could get ... and that was the fraudulent promissory notes (i.e., the much larger and unrelated part of Hoffenberg's fraud, based in New York State)... What they couldn't get, they didn't bother with."

Another lawyer involved in the criminal prosecution of Hoffenberg says, "In a criminal investigation like that, when there is a guilty plea, to be quick and dirty about it, discovery is always incomplete... They don't have to line up witnesses; they don't have to learn every fact that might come out on cross-examination."

Epstein was involved with Hoffenberg in other questionable transactions. Financial records show that in 1988 Epstein invested \$1.6 million in Riddell Sports Inc., a company that manufactures football helmets. Among his co-investors were the theater mogul Robert Nederlander and attorney Leonard Toboroff. A source close to this transaction claims that Epstein told Nederlander and Toboroff that he had raised his share of the money from a Swiss banker, whose identity they could not be allowed to know. But Hoffenberg has claimed the money came from him, and Towers's financial statements for that year show a loan to Epstein of \$400,000. (Epstein has said he can't remember the details and has disputed the accuracy of the Towers financial reports.)

Around the same time, Nederlander and Toboroff let Epstein come in with them on a scheme to make money out of Pennwalt, a Pennsylvania chemical company. The plan was to group together with two other parties to take a substantial declared position in the stock. According to a source, Epstein was supposed to help Nederlander and Toboroff raise \$15 million. He seemed to fail to find other investors, say those familiar with the deal. (Epstein has said he was merely an investor.) He invested \$1 million, which he told his co-investors was his own money. But in his 1989 deposition he said that he put in only \$300,000 of his own money. Where did the rest come from? Hoffenberg has said it came from him, in a loan that Nederlander and Toboroff didn't know about.

Two things happened that alarmed Nederlander and Toboroff. After the group signaled a possible takeover, the Pennwalt management threatened to sue the would-be raiders. Epstein was reluctant initially to give a deposition about his share of the money, telling Toboroff there were "reasons" he didn't want to. Then, after the opportunity for new investors was closed, co-investors recall Epstein announcing that he'd found one at last: Dick Snyder, then C.E.O. of the publisher Simon & Schuster, who wanted to put up approximately \$500,000. (Neither Epstein nor Snyder can now recall the investment. Yet in the 1989 deposition Epstein said that he had recruited Snyder, whom he had met socially, into the deal.)

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According to a source, Toboroff and Nederlander told **Epstein** that Snyder was too late, but, without their realizing it, Hoffenberg has claimed, Snyder wrote a check to Hoffenberg and bought out some of his investment. But then Snyder wanted out.

"Nederlander started to get these irate calls from (Snyder,) who wasn't part of the deal, saying he was owed all this money," says someone close to the deal. Toboroff and Nederlander were baffled.

Eventually, a source close to Hoffenberg says, Hoffenberg paid Snyder off. Just as Nederlander and Toboroff were growing wary of **Epstein**, he became increasingly involved with Leslie Wexner, whom he had met through insurance executive Robert Meister and his late wife. **Epstein** has told people that he met Wexner in 1986 in Palm Beach, and that he won his confidence by persuading him not to invest in the stock market, just as the 1987 crash was approaching. His story has subsequently changed. When asked if Wexner knew about his connection to Hoffenberg, **Epstein** said that he began working for Wexner in 1989, and that "it was certainly not the same time."

Wherever and whenever it was that **Epstein** and Wexner actually met, there was an immediate and strong personal chemistry. Wexner says he thinks **Epstein** is "very smart with a combination of excellent judgment and unusually high standards. Also, he is always a most loyal friend."

Sources say **Epstein** proved that he could be useful to Wexner as well, with "fresh" ideas about investments. "Wexner had a couple of bad investments, and Jeffrey cleaned those up right away," says a former associate of **Epstein's**.

Before he signed on with Wexner, **Epstein** had several meetings with Harold Levin, then head of Wexner Investments, in which he enunciated ideas about currencies that Levin found incomprehensible. "In fact," says someone who used to work very closely with Wexner, "almost everyone at the Limited wondered who **Epstein** was; he literally came out of nowhere."

"Everyone was mystified as to what his appeal was," says Robert Morosky, a former vice-chairman of the Limited. Much of **Epstein's** work is related to cleaning up, tightening budgets, and efficiencies. One person who worked for Wexner and who saw a contract drawn up between the two men says **Epstein** is involved in "everything, not just a little here, a little there. Everything!" In addition, he says, "Wexner likes having a hatchet man... Whenever there is dirty work to be done he'd stick Jeffrey on it... He has a reputation for being ruthless but he gets the job done."

**Epstein** has evidently been asked to fire personal-staff members when needed. "He was that mysterious person that everyone was scared to death of," says a former employee.

Meanwhile, he is also less than popular with some people outside Wexner's company with whom he now deals. "He 'inserted' himself into the construction process of Leslie Wexner's yacht... That resulted in litigation down the road between Mr. Wexner and the shipyard that eventually built the vessel," says Lars Forsberg, a lawyer whose firm at the time, Dickerson and Reily, was hired to deal with litigation stemming from the construction of Wexner's Limitless-at 315 feet, one of the largest private yachts in the world. Evidently, **Epstein** stalled on paying Dickerson and Reily for its work. "It's probably once or twice in my legal career that I've had to sue a client for payment of services that he'd requested and we'd performed ... without issue on the performance," says Forsberg. In the end the matter was settled, but **Epstein** claims he now has no recollection of it.

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\*  
The incident is one of a number of disputes Epstein has become embroiled in. Some are for sums so tiny as to be baffling; for instance, Epstein sued investment adviser Herbert Glass, who sold him the Palm Beach house in 1990, for \$13,444-Epstein claimed this was owed him for furnishings removed by Glass.

In 1998 the U.S. Attorney's Office sued Epstein for illegally subletting the former home of the deputy consul general of Iran to attorney Ivan Fisher and others. Epstein paid \$15,000 a month in rent to the State Department, but he charged Fisher and his colleagues \$20,000. Though the exact terms of the agreement are sealed, the court ruled against Epstein. 

Wexner offers some insight into his friend's combative style. "Many times people confuse winning and losing," Wexner says. "Jeffrey has the unusual quality of knowing when he is winning. Whether in conversations or negotiations, he always stands back and lets the other person determine the style and manner of the conversation or negotiation. And then he responds in their style. Jeffrey sees it in chivalrous terms. He does not pick a fight, but if there is a fight, he will let you choose your weapon."

One case is rather more serious. Currently, Citibank is suing Epstein for defaulting on loans from its private-banking arm for \$20 million. Epstein claims that Citibank "fraudulently induced" him into borrowing the money for investments. Citibank disputes this charge. 

The legal papers for another case offer a rare window into Epstein's finances. In 1995, Epstein stopped paying rent to his landlord, the nonprofit Municipal Arts Society, for his office in the Villard House. He claimed that they were breaking the terms of the lease by not letting his staff in at night. The case was eventually settled. However, one of the papers filed in this dispute is Epstein's financial statement for 1988, in which he claimed to be worth \$20 million. He listed that he owned \$7 million in securities, \$1 million in cash, zero in residential property (although he told sources that he had already bought the home in Palm Beach), and \$11 million in other assets, including his investment in Riddell. A co-investor in Riddell says: "The company had been bought with a huge amount of debt, and it wasn't public, so it was meaningless to attach a figure like that to it ... the price it cost was about \$1.2 million." The co-investors bought out Epstein's share in Riddell in 1995 for approximately \$3 million. At that time, when Epstein was asked, as a routine matter, to sign a paper guaranteeing he had access to a few million dollars in case of any subsequent disputes over the sale price, Wexner signed for him. Epstein has explained that this was because the co-investors wanted an indemnity against being sued by Wexner. One of the investors calls this "bullshit."

Epstein's appointment to the board of New York's Rockefeller University in 2000 brought him into greater social prominence. Boasting such social names as Nancy Kissinger, Brooke Astor, and Robert Bass, the board also includes such pre-eminent scientists as Nobel laureate Joseph Goldstein. "Epstein was thrilled to be elected," says someone who knows him.

After one term Epstein resigned. According to New York magazine, this was because he didn't like to wear a suit to meetings. A spokesperson for the Rockefeller board says Epstein left because he had insufficient time to commit; a board member recalls that he was "arrogant" and "not a good fit." The spokesperson admits that it is "infrequent" for board members not to be renominated after only one term.

Still, the recent spate of publicity Epstein has inspired does not seem to have fazed him. In November he was spotted in the front row of the Victoria's

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Secret fashion show at New York's Lexington Avenue Armory; around the same time the usual coterie of friends and beautiful women were whisked off to Little St. James (which he tells people has been renamed Little St. Jeff) for a long weekend.

Thanks to **Epstein's** introductions, says Martin Nowak, the biologist finds himself moving from Princeton to Harvard, where he is assuming the joint position of professor of mathematics and professor of biology. **Epstein** has pledged at least \$25 million to Harvard to create the **Epstein** Program for Mathematical Biology and Evolutionary Dynamics, and **Epstein** will have an office at the university. The program will be dedicated to searching for nature's algorithms, a pursuit that is a specialty of Nowak's. For **Epstein** this must be the summit of everything he has worked toward: he has been seen proudly displaying Harvard president Larry Summers's letter of commitment as if he can't quite believe it is real. He says he was reluctant to have his name attached to the program, but Summers persuaded him. He rang his mentor Wexner about it, and Wexner told him it was all right.

An insatiable, restless soul, always on the move, **Epstein** builds a tremendous amount of downtime into his hectic work schedule. Yet there is something almost programmed about his relaxation: it's as if even pleasure has to be measured in terms of self-improvement. Nowak says that, when he goes to stay with **Epstein** in the Caribbean, they'll get up at six and, as the sun rises, have three-hour conversations about theoretical physics. "Then he'll go off and do some work, reappear, and we'll talk some more."

Another person who went to the island with **Epstein**, Maxwell, and several beautiful women remembers that the women "sat around one night teasing him about the kinds of grasping women who might want to date him. He was amused by the idea... He's like a king in his own world."

Many people comment there is something innocent, almost childlike about Jeffrey **Epstein**. They see this as refreshing, given the sophistication of his surroundings. Alan Dershowitz says that, as he was getting to know **Epstein**, his wife asked him if he would still be close to him if **Epstein** suddenly filed for bankruptcy. Dershowitz says he replied, "Absolutely. I would be as interested in him as a friend if we had hamburgers on the boardwalk in Coney Island and talked about his ideas." N

**GRAPHIC:** LEFT, BY JAMES ESTRIN; RIGHT, BY DUBLIN CAINE; MR. BIG Jeffrey **Epstein** in New York, 2001. Left, **Epstein's** nine-floor, 51,000-square-foot town house. He also owns a 7,500-acre ranch in New Mexico, a house in Palm Beach, and a Caribbean island.; TOP TO BOTTOM: BY ALBERTO PINTO, LISA HINGE, J. B. SCHMITKA; unreal estate From top: the "leather room" in **Epstein's** house, where "tea" is served to guests; **Epstein** at his Zorro ranch in 1991 with his "best friend," Ghislaine Maxwell; **Epstein** in 1979.; TOP TO BOTTOM: BY LISA HINGE, SARAH [REDACTED], ADAM SCULL; SPOILS OF SUCCESS From top: **Epstein's** 70-acre island, Little St. James, in the U.S. Virgin Islands-he now calls it Little St. Jeff; **Epstein** with President Clinton in Brunei, 2002; Leslie Wexner with his future wife, Abigail, at the 1990 C.F.D.A. Fashion Awards, in New York, 1991.; ALBERTO PINTO; OFFICE SPACE The "office" in **Epstein's** house. It has no computers, but it does have a desk that **Epstein** tells people once belonged to banker J. P. Morgan, and "the largest Persian rug you'll ever see in a private home."; Pages 300-301: Left, from The New York Times. Page 304: Bottom, from Globe Photos.

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## PRINCE ANDREW'S BILLIONAIRE FRIEND IS ACCUSED OF PREYING ON GIRL OF 14

28.04.07

**Add your view**

One of Prince Andrew's closest friends is being investigated by the FBI for allegedly paying under-age girls for tawdry sexual encounters.

Billionaire Jeffrey Epstein has stayed at Sandringham and holidayed with the Prince in Thailand, while Andrew has visited his luxurious New York townhouse at least twice.

Police in Florida are so concerned by claims that the bachelor financier had sexual encounters with under-age girls at his exclusive Palm Beach villa that they have passed the case files to the FBI.

Epstein, 54, leads a hedonistic lifestyle that has troubled Royal courtiers ever since he was introduced to the Prince by their friend Ghislaine Maxwell, daughter of the late disgraced media tycoon Robert Maxwell.

During his Thai holiday with Epstein, Andrew was photographed surrounded by topless women on a yacht.

And Epstein was a guest at the Queen's birthday party in 2000 at Windsor and has attended a weekend house party at Sandringham.

According to official documents seen by this newspaper, Palm Beach police chief Michael Reiter has asked the FBI to determine whether Epstein broke laws designed to protect children from prostitution and pornography.

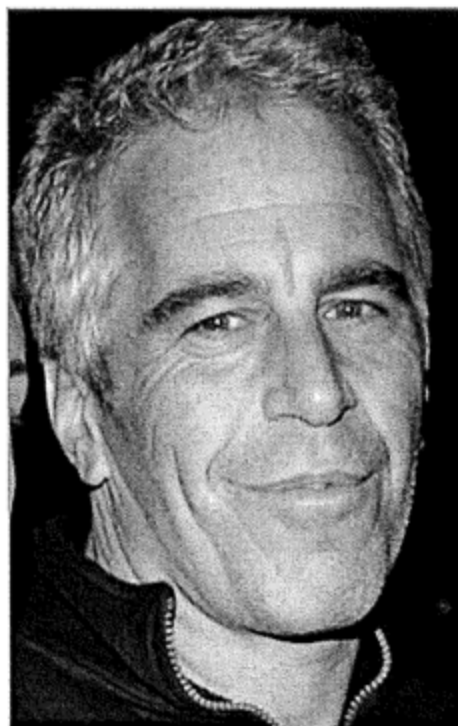
Some such offences carry minimum sentences of ten to 15 years.

The documents reveal that Epstein was the subject of an 11-month undercover investigation by police after a complaint in 2005 from the stepmother of a 14-year-old girl, who claimed she was paid £150 to give him an erotic massage at his flamingo-pink villa.

The girl is said to have been taken there by 18-year-old student [REDACTED] who claims in a sworn statement that she was recruited at the age of 17 to provide the billionaire with a £100 nude massage.

She told police he grabbed her after she began to rub him with oil.

After the massage,' according to a police department affidavit, Epstein stated that he



Concerns: Billionaire Jeffrey Epstein is under investigation for alleged sexual encounters with underage girls

understood she [REDACTED] was not comfortable, but he would pay her if she brought over some girls. He told her the younger the better.'

The student claims she found at least six girls aged 14 to 16. Every girl knew what to expect,' the affidavit continues.

They were told they would provide a massage, possibly naked, and allow some touching.'

One of the girls cried hysterically', according to a police report, as she recalled how she was recruited to provide services for Epstein when she was 16.

She claims in a sworn statement that he introduced her to a woman whom he said he had brought from Yugoslavia to be his sex slave'.

The girl claims that Epstein persuaded her to have sex with the woman.

He allegedly also forcibly' held the girl's head as he tried to have sex with her, but stopped after she screamed no'.

Epstein apologised for his actions and paid her £500 for that visit,' the records claim.

Additionally, [he] gave her a 2005 Dodge Neon, blue in colour, for her personal use.'

When police searched the villa, they say they found a pink and green couch in the master bedroom, matching a description by the alleged victims.

They say the stairway to the room was lined with photos of naked young girls.

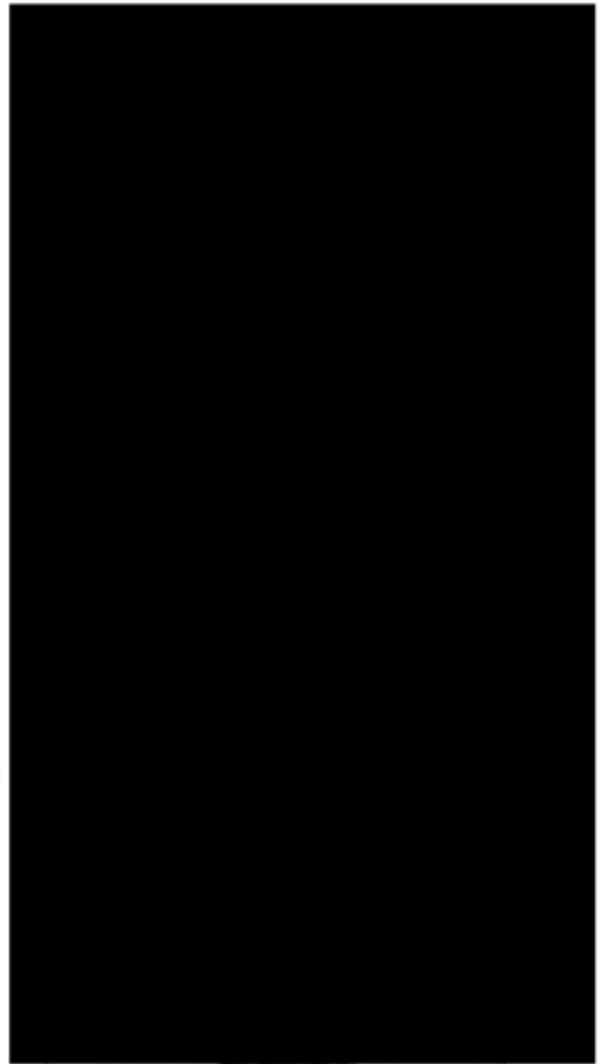
Two hidden cameras were found inside clocks, and police also discovered pictures of [REDACTED] and other witnesses on a computer.

The allegations came to light after Epstein was accused of soliciting a prostitute. He is due to stand trial next month.

Palm Beach police believe that the relatively light charge, which makes no mention of sex with minors, was the result of intimidation by private investigators and high-powered lawyers representing Epstein.

Police claim that local prosecutors were deterred from aggressively pursuing the case.

One of his legal team, Harvard law professor Alan Dershowitz, told The Mail on Sunday that Epstein had



Epstein's friend Prince Andrew

passed a lie detector test showing he was innocent of all allegations. The financier had paid for massages, but had not engaged in sex or erotic massages with any minors, the lawyer insisted. He said that the girl who accused Epstein of forcible sex had a long record of lying, theft and blaming others for her crimes'.

The hidden cameras, he said, had been installed at the behest of Palm Beach police following a theft from the villa. An FBI spokeswoman confirmed: We received the referral from the Palm Beach police chief. We have a pending case.' Epstein's friends include entrepreneur Donald Trump, who once said: He likes beautiful women as much as I do, and many of them are on the younger side.'

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**United States Attorney's Office  
Southern District of Florida**



**NEWS BRIEFING**

**To:** R. Alexander Acosta, United States Attorney  
Jeffrey H. Sloman, First Assistant  
James Swain, Executive Assistant  
Alicia O. Valle, Special Counsel  
Robert Senior, Chief, Criminal Division  
Kenneth Noto, Deputy Chief, Criminal Division  
Anne Schultz, Chief, Appellate Division  
Gerardo Simms, Chief, Asset Forfeiture Division  
Wendy A. Jacobus, Chief, Civil Division  
David Weinstein, Chief, PINS  
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Eric Bustillo, Chief, Economic and Environmental Crimes Section  
Rick Del Toro, Chief, Major Crimes Section  
Ben Greenberg, Chief, Special Prosecutions  
Roger Stefin, Deputy Chief, Ft. Lauderdale  
Rolando Garcia, Deputy Chief, West Palm Beach  
Diana Acosta, Acting Deputy Chief, Ft. Pierce

**From:** Annette Castillo  
Cyndee Campos  
Executive Division

July 1, 2008

July 1, 2008

## Financier Starts Sentence in Prostitution Case

By LANDON THOMAS Jr.

The bad news arrived by phone last week on Little St. James Island, the palm-fringed Xanadu in the Caribbean where Jeffrey E. Epstein, adviser to billionaires, lives in secluded splendor.

Report to the Palm Beach County jail, the caller, Mr. Epstein's lawyer, said.

So over the weekend Mr. Epstein quit his pleasure dome, with its staff of 70 and its flamingo-stocked lagoon, and flew to Florida. On Monday morning, he turned himself in and began serving 18 months for soliciting prostitution.

"I respect the legal process," Mr. Epstein, 55, said by phone as he prepared to leave his 78-acre island, which he calls Little St. Jeff's. "I will abide by this."

It is a stunning downfall for Mr. Epstein, who grew up in Coney Island and went on to live the life of a billionaire, only to become a tabloid monument to an age of hyperwealth. Mr. Epstein owns a Boeing 727 and the largest town house in Manhattan. He has paid for college educations for personal employees and students from Rwanda, and spent millions on a project to develop a thinking and feeling computer and on music intended to alleviate depression.

But Mr. Epstein also paid women, some of them under age, to give him massages that ended with a sexual favor, the authorities say.

Federal prosecutors initially threatened to bring him to trial on a variety of charges and seek the maximum penalty, 10 years in prison. After years of legal wrangling, Mr. Epstein pleaded guilty to lesser state charges.

Upon his release from jail, he must register as a sex offender wherever he goes in the United States.

People from all walks of life break the law, of course. But for the rich, wrapped in a cocoon of immense comfort, it can be easy to yield to temptation, experts say.



"A sense of entitlement sets in," said Dennis Pearne, a psychologist who counsels people on matters related to extreme wealth. The attitude, he said, becomes, "I deserve anything I want, I can have anything I want — and I can afford it."

To prosecutors, Mr. Epstein is just another sex offender. He did what he did because he could, and because he never dreamed he would get caught, they say. Mr. Epstein's defenders counter that he has been unjustly persecuted because of his wealth and lofty connections.

Sitting on his patio on "Little St. Jeff's" in the Virgin Islands several months ago, as his legal troubles deepened, Mr. Epstein gazed at the azure sea and the lush hills of St. Thomas in the distance, poked at a lunch of crab and rare steak prepared by his personal chef, and tried explain how his life had taken such a turn. He likened himself to Gulliver shipwrecked among the diminutive denizens of Lilliput.

"Gulliver's playfulness had unintended consequences," Mr. Epstein said. "That is what happens with wealth. There are unexpected burdens as well as benefits."

Those benefits are on full display on his island where, despite his time in jail, Mr. Epstein has commissioned a new estate. The villa will occupy the island's promontory, which offers views of the Atlantic on one side and the Caribbean on the other. It will have a separate library to house Mr. Epstein's 90,000 volumes, a Japanese bathhouse and what he calls a "Ziegfeld" movie theater.

For now, however, those visions of a private paradise have been replaced by the cold reality of a jail cell.

The legal drama began in 2005, when a young woman who gave Mr. Epstein massages at his Palm Beach mansion told the local police about the encounter. She was 14 at the time, and was paid \$200.

The police submitted the results of their investigation to the state attorney, asking that Mr. Epstein be charged with sexual relations with minors. His lawyers say Mr. Epstein never knew the young women were under age, and point to depositions in which the masseuses — several of whom have filed civil suits — admitted to lying about their age.

In July 2005, a Florida grand jury charged Mr. Epstein with a lesser offense, soliciting prostitution. Mr. Epstein's legal team, which would eventually include the former prosecutor Kenneth W. Starr and the Harvard law professor Alan M. Dershowitz, was elated: Mr. Epstein would avoid prison.

But then the United States attorney's office in Miami became involved. Last summer, Mr. Epstein got an ultimatum: plead guilty to a charge that would require him to register as a sex offender, or the government would charge him with sexual tourism, according to people who were briefed on the discussions.

David Weinstein, an attorney in the government's Miami office, declined to discuss the specifics of the case. But he did address the subject of Mr. Epstein's means and prominent legal team, and dismissed a proposal by Mr. Epstein's lawyers — who opposed the application of federal statutes in the case — that he be confined to his house in Palm Beach for a probationary period.

"In their mind that would be an adequate resolution," Mr. Weinstein said. "Our view is that is not enough of a punishment to fit the crime that occurred."

The lurid details of the case have captivated wealthy circles in Palm Beach and New York and transformed Mr. Epstein, who shuns publicity and whose business depends on discretion, into a figure of public ridicule.

He said he has been trailed by stalkers and has become the target of lawsuits. In recent months, he said, he received over 100 letters a week asking for money or jobs as a masseuse. He recently received a package of gold-tinted condoms.

It has been a long, strange journey from Coney Island, where Mr. Epstein grew up in middle-class surroundings. He taught briefly at Dalton, the Manhattan private school, and then joined Bear Stearns, becoming a derivatives specialist. He struck out on his own in the 1980s.

His business is something of a mystery. He says he manages money for billionaires, but the only client he is willing to disclose is Leslie H. Wexner, the founder of Limited Brands.

As Mr. Epstein explains it, he provides a specialized form of superelite financial advice. He counsels people on everything from taxes and trusts to prenuptial agreements and paternity suits, and even provides interior decorating tips for private jets. Industry sources say he charges flat annual fees ranging from \$25 million to more than \$100 million.

As it became clear that he was headed for jail, Mr. Epstein has tried to put on a brave face.

"Your body can be confined, but not your mind," he said in a recent interview by phone.

But the strains were showing. "I am anxious," he said in another recent interview, referring to how inmates would treat him. "I make a great effort to treat people equally, but I recognize that

I might be perceived as one of the New York arrogant rich."

Jail will certainly be a big change. Mr. Epstein is a man of precise, at times unconventional, habits. He starts his mornings with a secret-ingredient bran muffin prepared by his chef. He seems to have a germ phobia. He never wears a suit, preferring monogrammed sweatsuits and jeans. And he rarely attends meetings — "I never have to be anywhere," he tells his pilots, when he cautions them to avoid flying through chancy weather.

Looking back, Mr. Epstein admits that his behavior was inappropriate. "I am not blameless," he said. He said he has taken steps to make sure the same thing never happens again.

For starters, Mr. Epstein has hired a full-time male masseur (the man happens to be a former Ultimate Fighting champion). He also has organized what he calls a board of directors of friends to counsel him on his behavior.

And Mr. Epstein has changed his e-mail address to alert people that he will be unavailable for the next 18 months. The new address indicates he is "on vacation."

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June 30, 2008

## Billionaire pleads to Fla. prostitution charge

By THE ASSOCIATED PRESS

Filed at 3:02 p.m. ET

WEST PALM BEACH, Fla. (AP) -- New York billionaire Jeffrey Epstein has pleaded guilty to soliciting prostitution from underage girls in South Florida.

Circuit Judge Deborah Dale Pucillo sentenced the 55-year-old money manager Monday to 18 months in the Palm Beach County jail, followed by a year of house arrest. He will also be designated a sex offender.

Epstein was arrested two years ago. Authorities allege he paid several girls under the age of 18 \$200 to \$300 each in return for naked massages at his Palm Beach home that sometimes became sexual.

He also faces state and federal lawsuits filed by several women over similar allegations.

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THE PALM BEACH POST • TUESDAY, JULY 1, 2008



UMA SANGKVI/Staff Photographer

Investment banker Jeffrey Epstein waits in court Monday before his guilty plea.

# Palm Beacher pleads in sex case

*Jeffrey Epstein will serve 1½ years on teen solicitation charges.*

By LARRY KELLER  
Palm Beach Post Staff Writer

WEST PALM BEACH — He lives in a Palm Beach waterfront mansion and has kept company with the likes of President Clinton, Prince Andrew and Donald Trump, but investment banker Jeffrey Epstein will call the Palm Beach County Jail home for the next 18 months.

Epstein, 55, pleaded guilty Monday to felony solicitation of prostitution and procuring a person under the age of 18 for prostitution. After serving 18 months in jail, he will be under house arrest for a year. And he will have a lifelong obligation to register as a sex offender. He must submit to an HIV test within 48 hours, with the results being provided to his victims or their parents.

As part of the plea deal, federal investigators agreed to drop their investigation of Epstein, which they had taken to a grand jury, two law enforcement sources said.

Epstein was indicted two years ago after an 11-month investigation by Palm Beach police. They received a complaint from a relative of a 14-year-old girl who had given Epstein a naked massage at his five-bedroom, 7,234-square-foot, \$8.5 million Intracoastal home.

Police concluded that there

See EPSTEIN, 8A ►

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# Epstein faces civil lawsuits; more clients may be added

## ► EPSTEIN from 1A

were several other girls brought in 2004 and 2005 to an upstairs room at the home for similar massages and sexual touching.

The indictment charged Epstein only with felony solicitation of prostitution. The state attorney's office later added the charge of procuring underage girls for that purpose.

Prosecutor Lanna Belohlavek said of the plea: "I took into consideration the length the trial would have been and witnesses having to testify" about sometimes embarrassing incidents.

Epstein may have made a serious mistake soon after he was charged. He rejected an offer to plead guilty to one count of aggravated assault with intent to commit a felony, according to police documents. He would have gotten five years' probation, had no criminal record and not been a registered sex offender, the documents indicate.

Epstein arrived in court Monday with at least three attorneys. He wore a blue blazer, blue shirt, blue jeans and white and gray sneakers. After Circuit Judge Deborah Dale Pucillo accepted the plea, he was fingerprinted. Epstein then removed his blazer and was handcuffed for the trip to jail while his attorneys tried to shield him from photographers' lenses.

When he eventually is released to house arrest, Epstein will have to observe a 10 p.m. to 6 a.m. curfew, have no unsupervised contact with anyone younger than 18 and neither own nor possess pornographic or sexual materials "that are relevant to your deviant behavior," the judge said.

Epstein will be allowed to leave home for work. The New York-based money manager told the judge he has formed the not-for-profit Florida Science Foundation to finance scientific research. "I'm there every day," Epstein said.

The foundation was incorporated in November. Epstein said he already has awarded money to Harvard and MIT.

When he is released from jail, there is a chance that Epstein will be forced to move. Sex offenders are not allowed to live within 1,000 feet of a school, park or other areas where children may gather. No determination has been made as to whether Epstein's home complies, but attorneys said it likely does.

Sex offenders also typically must attend counseling sessions. Belohlavek said that was waived for Epstein because his private psychiatrist is working with him.

## 'It's validation of what we're saying in the civil cases.'

JEFFREY HERMAN

Attorney who represents alleged victims, commenting on the plea

The judge was skeptical but agreed to it.

Epstein's legal woes don't end with Monday's plea. There are four pending federal civil lawsuits and one in state court related to his behavior. At least one woman has sued him in New York, where he owns a 51,000-square-foot Manhattan mansion.

"It's validation of what we're saying in the civil cases," said Miami attorney Jeffrey Herman, who represents the alleged victims in the federal lawsuits. West Palm Beach attorney Ted Leopold represents one alleged victim in a civil suit in state court. He said he anticipates attending that lawsuit to add "a few other clients" as well.

In the criminal case, police went so far as to scour Epstein's trash and conduct surveillance at Palm Beach International Airport, where they watched for his private jet so they would know when he was in town. They concluded that Epstein paid girls \$200 to \$300 each after the massage sessions.

Idi Fleiss, 22, told police about her efforts in recruiting girls for Epstein.

There was probable cause to charge Epstein with unlawful sex acts with a minor

and lewd and lascivious molestation, police concluded.

The state attorney's office said questions about the girls' credibility led it to take the unprecedented step of presenting the evidence against Epstein to a grand jury, rather than directly charging him.

Palm Beach Police Chief Michael Reiter was furious with State Attorney Barry Krischer, saying in a May 2006 letter that the prosecutor should disqualify himself. "I continue to find your office's treatment of these cases highly unusual," he wrote. He then asked for and got a federal investigation.

Epstein hired a phalanx of high-priced lawyers—including Harvard law professor and author Alan Dershowitz—and public relations people who questioned Reiter's competence and the victims' truthfulness.

In addition to mansions in Palm Beach and Manhattan, Epstein owns homes in New Mexico and the Virgin Islands. He's a frequent contributor to Democratic Party candidates. He also donated \$30 million to Harvard in 2003.

Former New York Gov. Elliot Spitzer returned a \$50,000 campaign contribution from Epstein after his indictment, then resigned this year during his own sex scandal. And the same Palm Beach Police Department that vigorously investigated Epstein returned his \$90,000 donation for the purchase of a firearms simulator.

*Staff writer Elliot Kleinberg and staff researcher Michelle Quigley contributed to this story.*

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UMA SANGHVI/Staff Photographer

Jeffrey Epstein (left) appears in court Monday. Soon after he was charged two years ago, Epstein rejected a deal that would have given him five years' probation and no criminal record, documents show.

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## South Florida Sun-Sentinel.com

### Billionaire heads to jail on teen prostitution charges

By Missy Diaz

South Florida Sun-Sentinel

11:28 PM EDT, June 30, 2008

#### WEST PALM BEACH

Billionaire Palm Beach- New York-Virgin Islands money manager Jeffrey Epstein traded his navy sport coat for a jail uniform Monday after pleading guilty to hiring underage Palm Beach County girls for erotic massages and sex. The 55-year-old will be designated a sex offender, requiring him to register annually with the Florida Department of Law Enforcement.

Epstein, who lives in a 13,000-square-foot mansion on El Brillo Way in Palm Beach, will spend 18 months in the Palm Beach County Jail followed by a year of house arrest.

Judge Deborah Pucillo, who grilled Epstein and his attorneys throughout the hearing, read off a litany of other conditions of Epstein's house arrest, including a 10 p.m.-to-6 a.m. curfew, an hourly daily activity log and a stern warning that he not possess, watch or view any "obscene, pornographic or sexually stimulating material relative to your deviant behavior."

The judge admonished Epstein not to have any contact — direct or indirect — with his victims, something Pucillo clarified explicitly, saying it includes things like Facebook, MySpace, e-mail and text messages.

"That means no messages through carrier pigeons, no messages through third parties. ... Is that clear?" she asked.

Epstein told the judge he's an investment banker. He manages money for the very rich and counts among his friends former President Bill Clinton. His real estate holdings include a private island in the U.S. Virgin Islands and a 50,000-square-foot townhouse on Manhattan's tony Upper East Side.

According to police reports, in 2004 and 2005 Epstein paid [REDACTED], then 20, to find girls — "the younger the better" — to "work" for him. Epstein rejected a 23-year-old who [REDACTED] brought to Epstein's home.

[REDACTED] once referred to herself as Heidi Fleiss, the Hollywood madam whose client list included celebrities. "The more you do, the more you get paid," [REDACTED] reportedly told the girls. The going rate was \$200 to \$300 per massage. All of the girls knew what to expect, according to [REDACTED]: "provide a massage, possibly naked, and allow some touching."

Following lengthy negotiations dating to Epstein's July 2006 arrest, he pleaded guilty Monday to two counts: procuring a person under 18 for prostitution and felony offer to commit prostitution. The

maximum penalty was 15 years in prison.

Epstein still faces civil lawsuits in federal court filed by four girls seeking in excess of \$50 million each.

"We think the guilty plea today is a very positive development for the civil cases and validates the claims the girls were making," said Jeffrey Herman, the Miami attorney representing the girls.

Missy Diaz can be reached at [mdiaz@sun-sentinel.com](mailto:mdiaz@sun-sentinel.com) or 561-228-5505.

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## South Florida Sun-Sentinel.com

### Palm Beach money manager pleads guilty to hiring underage girls for sex

By Missy Diaz

Sun-Sentinel.com

12:25 PM EDT, June 30, 2008

#### WEST PALM BEACH

Mega-rich Palm Beach-New York-Virgin Islands money manager Jeffrey Epstein traded his navy sport coat for a jail uniform today after pleading guilty to hiring underage Palm Beach County girls for erotic massages and sex.

As a result, Epstein will be designated a sex offender, a moniker that will require he register annually with the Florida Department of Law Enforcement and any other jurisdiction that so requires.

Epstein, 55, will spend 18 months in the Palm Beach County Jail followed by a year of house arrest.

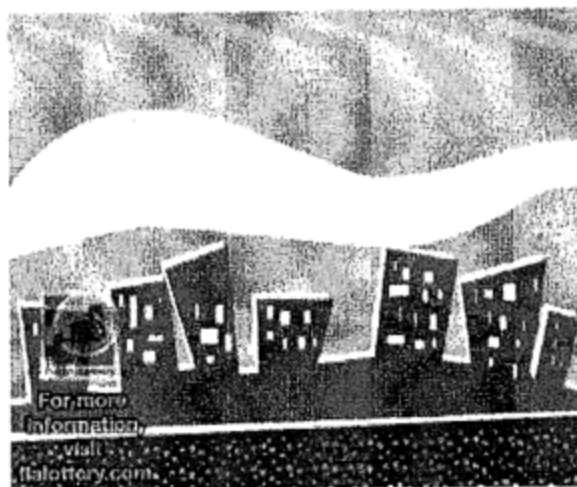
Judge Deborah Pucillo, who grilled Epstein and his attorneys throughout today's hearing, read off a litany of other conditions of Epstein's house arrest, including a 10 p.m. to 6 a.m. curfew, an hourly daily activity log and a stern warning that he not possess, watch or view any "obscene, pornographic or sexually stimulating material relative to your deviant behavior."

The judge admonished Epstein not to have any contact -- direct or indirect -- with his victims, something Pucillo explained includes things like Facebook, MySpace, e-mail and text messages.

"That means no messages through carrier pigeons, no messages through third parties ... is that clear?" she asked.

Epstein, a billionaire who lives in a five bedroom, 7 1/2 bath, 13,000-square-foot mansion on El BrilloWay in Palm Beach, told the judge he's an investment banker. He manages money for the super wealthy and counts among his friends former President Bill Clinton.

According to police reports, in 2004 and 2005, Epstein used a then 20-year-old girl to find 14- to 16-year-old girls from her school to "work" for him.





In return, according to police, Epstein paid her \$200 for each girl she found.

Epstein's assistant kept the recruiter apprised of when Epstein would be in Palm Beach and the recruiter would take the girls to the mansion.

Once there, Epstein's assistant escorted the girl to a bedroom furnished with a massage table and oils.

Epstein would enter in only a towel and would touch himself during some sessions and try fondling the girls with sex toys in others, according to police.

Following lengthy negotiations dating to Epstein's July 2006 arrest, he pleaded guilty today to two counts: procuring a person under 18 for prostitution, and felony offer to commit prostitution.

The maximum penalty was 15 years in prison.

Epstein told the judge he takes no prescription medication other than for his cholesterol. He works in the Virgin Islands, he said, but while on house arrest he plans to do charitable work at a non-profit he formed charity called The Florida Science Foundation.

State records show the foundation was formed in November for the purpose of providing grants to organizations in science and research.

"My background is in physics," Epstein told Pucillo.

Harvard and MIT have been recipients of grants from the organization, he said.

While the criminal case may have been disposed today, Epstein still faces civil lawsuits in federal court filed by four of the girls who are each seeking in excess of \$50 million.

"We think the guilty plea today is a very positive development for the civil cases and validates the claims the girls were making," said Jeffrey Herman, the Miami attorney representing the girls. "An important measure of justice is that he'll be a registered sex offender."

As deputies fingerprinted Epstein, who was dressed in a navy sport coat, jeans and sneakers, a phalanx of his handlers congregated outside the courtroom.

His attorney, Jack Goldberger, along with two other men, one in a seersucker suit, the other typing furiously on a laptop computer, stayed with Epstein until lawmen escorted him from the courtroom.

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Posted on Mon, Jun. 30, 2008

## Billionaire pleads to Fla. prostitution charge

New York billionaire Jeffrey Epstein has pleaded guilty to soliciting prostitution from underage girls in South Florida.

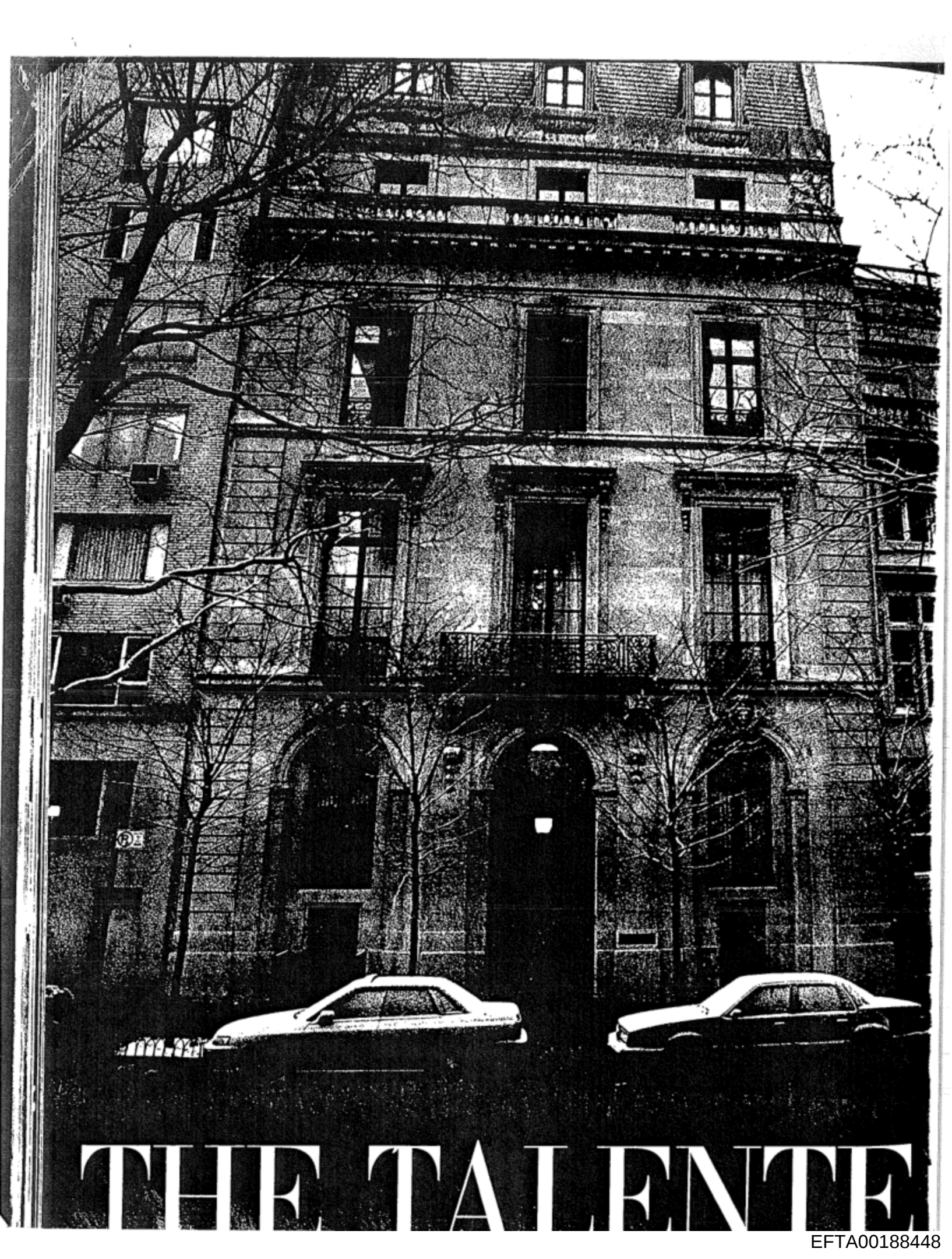
Circuit Judge Deborah Dale Pucillo sentenced the 55-year-old money manager Monday to 18 months in the Palm Beach County jail, followed by a year of house arrest. He will also be designated a sex offender.

Epstein was arrested two years ago. Authorities allege he paid several girls under the age of 18 \$200 to \$300 each in return for naked massages at his Palm Beach home that sometimes became sexual.

He also faces state and federal lawsuits filed by several women over similar allegations.

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# THE TALENTE

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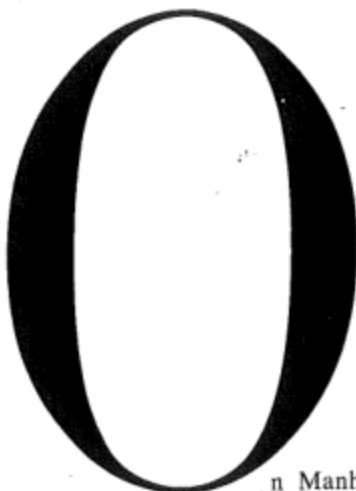


**MIR. BIG**

Jeffrey Epstein in New York, 2001. *Left*, Epstein's nine-floor, 51,000-square-foot town house. He also owns a 7,500-acre ranch in New Mexico, a house in Palm Beach, and a Caribbean island.

Lately, Jeffrey Epstein's high-flying style has been drawing oohs and aahs: the bachelor financier lives in New York's largest private residence, claims to take only billionaires as clients, and flies celebrities including Bill Clinton and Kevin Spacey on his Boeing 727. But pierce his air of mystery and the picture changes. VICKY WARD explores Epstein's investment career, his ties to retail magnate Leslie Wexner, and his complicated past





**O**n Manhattan's Upper East Side, home to some of the most expensive real estate on earth, exists the crown jewel of the city's residential town houses. With its 15-foot-high oak door, huge arched windows, and nine floors, it sits on—or rather, commands—the block of 71st Street between Fifth and Madison Avenues. Almost ludicrously out of proportion with its four- and five-story neighbors, it seems more like an institution than a house. This is perhaps not surprising—until 1989 it was the Birch Wathen private school. Now it is said to be Manhattan's largest private residence.

Inside, amid the flurry of menservants attired in sober black suits and pristine white gloves, you feel you have stumbled into someone's private Xanadu. This is no mere rich person's home, but a high-walled, eclectic, imperious fantasy that seems to have no boundaries.

The entrance hall is decorated not with paintings but with row upon row of individually framed eyeballs: these, the owner tells people with relish, were imported from England, where they were made for injured soldiers. Next comes a marble foyer, which does have a painting, in the manner of Jean Dubuffet... but the host coyly refuses to tell visitors who painted it. In any case, guests are like pygmies next to the nearby twice-life-size sculpture of a naked African warrior.

Despite its eccentricity the house is curiously impersonal, the statement of someone who wants to be known for the scale of his possessions. Its occupant, financier Jeffrey Epstein, 50, admits to friends that he likes it when people think of him this way. A good-looking man, resembling Ralph Lauren, with thick gray-white hair and a weathered face, he usually dresses in jeans, knit shirts, and loafers. He tells people he bought the house because he knew he "could never live anywhere bigger." He thinks 51,000 square feet is an appropriately large space for someone like himself, who deals mostly in large

Guests are invited to lunch or dinner at the town house—Epstein usually refers to the former as "tea," since he likes to eat bite-size morsels and drink copious quantities of Earl Grey. (He does not touch alcohol or tobacco.) Tea is served in the "leather room," so called because of the cordovan-colored fabric on the walls. The chairs are covered in a leopard print, and on the wall hangs a huge, Oriental fantasy of a woman holding an opium pipe and caressing a snarling lionskin. Under her gaze, plates of finger sandwiches are delivered to Epstein and guests by the menservants in white gloves.

Upstairs, to the right of a spiral staircase, is the "office," an enormous gallery spanning the width of the house. Strangely, it holds no computer. Computers belong in the "computer room" (a smaller room at the back of the house). Epstein has been known to say. The office features a gilded desk (which Epstein tells people belonged to banker J. P. Morgan). 18th-century black lacquered Portuguese cabinets, and a nine-foot ebony Steinway "D" grand. On the desk, a paperback copy of the Marquis de Sade's *The Misfortunes of Virtue* was recently spotted. Covering the floor, Epstein has explained, "is the largest Persian rug you'll ever see in a private home—so big, it must have come from a mosque." Amid such splendor, much of which reflects the work of the French decorator Alberto Pinto, who has worked for Jacques Chirac and the royal families of Jordan and Saudi Arabia, there is one particularly startling oddity: a stuffed black poodle, standing atop the grand piano. "No decorator would ever tell you to do that," Epstein brags to visitors. "But I want people to think what it means to stuff a dog." People can't help but feel it's Epstein's way of saying that he always has the last word.

In addition to the town house, Epstein lives in what is reputed to be the largest private dwelling in New Mexico, on an \$18 million, 7,500-acre ranch which he named "Zorro." "It makes the town house look like a shack," Epstein has said. He also owns Little St. James, a 70-acre island in the U.S. Virgin Islands, where the main house is currently being renovated by Edward Tuttle, a designer of the Amanresorts. There is also a \$6.8 million house in Palm Beach, Florida, and a fleet of aircraft: a Gulfstream IV, a helicopter, and a Boeing 727, replete with trading room, on which Epstein recently flew President Clinton, actors Chris Tucker and Kevin Spacey, supermarket magnate Ron Burkle, Lew Wasserman's grandson, Casey Wasserman, and a few others, on a mission to explore the problems of AIDS and economic development in Africa.

the charm slip into his eyes. They are steely and calculating, giving some hint at the steady whirl of machinery running behind them. "Let's play chess," he said to me, after refusing to give an interview for this article. "You be white. You get the first move." It was an appropriate metaphor for a man who seems to feel he can win no matter what the advantage of the other side. His advantage is that no one really seems to know him or his history completely or what his arsenal actually consists of. He has carefully engineered it so that he remains one of the few truly baffling mysteries among New York's moneyed world. People know snippets, but few know the whole.

"He's very enigmatic," says Rosa Monckton, the former C.E.O. of Tiffany & Co. in the U.K. and a close friend since the early 1980s. "You think you know him and then you peel off another ring of the onion skin and there's something else extraordinary underneath. He never reveals his hand.... He's a classic iceberg. What you see is not what you get."

**E**ven acquaintances sense a curious dichotomy: Yes, he lives like a "modern maharaja," as Leah Kleman, one of his art dealers, puts it. Yet he is fastidiously, almost obsessively private—he lists himself in the phone book under a pseudonym. He rarely attends society gatherings or weddings or funerals; he considers eating in restaurants like "eating on the subway"—i.e., something he'd never do. There are many women in his life, mostly young, but there is no one of them to whom he has been able to commit. He describes his most public companion of the last decade, Ghislaine Maxwell, 41, the daughter of the late, disgraced media baron Robert Maxwell, as simply his "best friend." He says she is not on his payroll, but she seems to organize much of his life—recently she was making telephone inquiries to find a California-based yoga instructor for him. (Epstein is still close to his two other long-term girlfriends, Paula Heil Fisher, a former associate of his at the brokerage firm Bear Stearns and now an opera producer, and Eva Andersson Dubin, a doctor and onetime model. He tells people that when a relationship is over the girlfriend "moves up, not down," to friendship status.)

Some of the businessmen who dine with him at his home—they include newspaper publisher Mort Zuckerman, banker Louis Ranieri, Revlon chairman Ronald Perelman, real-estate tycoon Leon Black, former Microsoft executive Nathan Myhrvold, Tom



personality Donald Trump—sometimes seem not all that clear as to what he actually does to earn his millions. Certainly, you won't find Epstein's transactions written about on Bloomberg or talked about in the trading rooms. "The trading desks don't seem to know him. It's unusual for animals that big not to leave any footprints in the snow," says a high-level investment manager.

Unlike such fund managers as [redacted] Soros and Stanley Druckenmiller, whose client lists and stock maneuverings act as their calling cards, Epstein keeps all his deals and clients secret, bar one client: billionaire Leslie Wexner, the respected chairman of Limited Brands. Epstein insists that ever since he left Bear Stearns in 1981 he has managed money only for billionaires—who depend on him for discretion. "I was the only person crazy enough, or arrogant enough, or misplaced enough, to make my limit a billion dollars or more," he tells people freely. According to him, the flat fees he receives from his clients, combined with his skill at playing the currency markets "with very large sums of money," have afforded him the lifestyle he enjoys today.

Why do billionaires choose him as their trustee? Because the problems of the mega-rich, he tells people, are different from yours and mine, and his unique philosophy is central to understanding those problems: "Very few people need any more money when they have a billion dollars. The key is not to have it do harm more than anything else. . . . You don't want to lose your money."

**H**e has likened his job to that of an architect—more specifically, one who specializes in remodeling: "I always describe [a billionaire] as someone who started out in a small home and as he became wealthier had additions. He added on another addition, he built a room over the garage . . . until you have a house that is usually a mess. . . . It's a large house that has been put together over time where no one could foretell the financial future and their accompanying needs."

He makes it sound as though his job combines the roles of real-estate agent, accountant, lawyer, money manager, trustee, and confidant. But, as with Jay Gatsby, myths and rumor swirl around Epstein.

Here are some of the hard facts about Epstein—ones that he doesn't mind people

parks department. His parents viewed education as "the way out" for him and his younger brother, Mark, now working in real estate. Jeffrey started to play the piano—for which he maintains a passion—at five, and he went to Brooklyn's Lafayette High School. He was good at mathematics, and in his early 20s he got a job teaching physics and math at Dalton, the elite Manhattan private school. While there he began tutoring the son of Bear Stearns chairman Ace Greenberg and was friendly with a daughter of Greenberg's. Soon he went to Bear Stearns, where, under the mentorship of both Greenberg and current Bear Stearns C.E.O. James Cayne, he did well enough to become a limited partner—a rung beneath full partner. He abruptly departed in 1981 because, he has said, he wanted to run his own business.

Thereafter the details recede into shadow. A few of the key facts about

"You think you know him and then you peel off another ring of the onion."



#### UNREAL ESTATE

From top: the "leather room" in Epstein's house, where "tea" is served to guests; Epstein at his Zorro ranch in 1991 with his "best friend," Ghislaine Maxwell; Epstein in 1979.

"bounty hunter," recovering lost or stolen money for the government or for very rich people. He has a license to carry a firearm.

For the last 15 years, he's been running his business, J. Epstein & Co.

Since Leslie Wexner appeared in his life—Epstein has said this was in 1986; others say it was in 1989, at the earliest—he has gradually, in a way that has not generally made headlines, come to be accepted by the Establishment. He's a member of various commissions and councils: he is on the Trilateral Commission, the Council on Foreign Relations, the New York Academy of Sciences, and the Institute of International Education.



"Jeffrey [knows] when he is winning.... He will let you choose your weapon," says Wexner.

#### SPOILS OF SUCCESS

From top: Epstein's 70-acre island, Little St. James, in the U.S. Virgin Islands—he now calls it Little St. Jeff; Epstein with President Clinton in Brunei, 2002; Leslie Wexner with his future wife, Abigail, at the 1990 C.F.D.A. Fashion Awards, in New York, 1991.



Larry Summers, Harvard's current president. Harvard law professor Alan Dershowitz says, "I'm on my 20th book.... The only person outside of my immediate family that I send drafts to is Jeffrey." Real-estate developer and philanthropist Marshall Rose, who has worked with Epstein on projects in New Albany, Ohio, for Wexner, says, "He digests and decodes the information very rapidly, which is to me terrific because we have shorter meetings."

Also on the list of admirers are former senator [redacted] Mitchell and a gaggle of distinguished scientists, most of whom Epstein has helped fund in recent years.

Epstein, and he's under the impression that Epstein's clients include the Queen of England. Both Nowak and Dershowitz were thrilled to find themselves shaking the hand of a man named "Andrew" in Epstein's house. "Andrew" turned out to be Prince Andrew, who subsequently arranged to sit in the back of Dershowitz's law class.

Epstein gets annoyed when anyone suggests that Wexner "made him." "I had really rich clients before," he has said. Yet he does not deny that he and Wexner have a special relationship. Epstein sees it as a partnership of equals. "People have said it's like we have one brain between two of us:

Edelman and Murray Gell-Mann, and mathematical biologist Martin Nowak. When these men describe Epstein, they talk about "energy" and "curiosity," as well as a love for theoretical physics that they don't ordinarily find in laymen. Gell-Mann rather sweetly mentions that "there are always pretty ladies around" when he goes to dinner *chez*

"I think we both possess the skill of seeing patterns," says Wexner. "But Jeffrey sees patterns in politics and financial markets, and I see patterns in lifestyle and fashion trends. My skills are not in investment strategy, and, as everyone who knows Jeffrey knows, his are not in fashion and design. We frequently discuss world trends as each of us sees them."

**B**y the time Epstein met Wexner, the latter was a retail legend who had built a \$3 billion empire—one that now includes Victoria's Secret, Express, and Bath & Body Works—from \$5,000 lent him by his aunt. "Wexner saw in Jeffrey the type of person who had the potential to realize his [Jeffrey's] dreams," says someone who has worked closely with both men. "He gave Jeffrey the ball, and Jeffrey hit it out of the park." Wexner, through a trust, bought the town house in which Epstein now lives for a reported \$13.2 million in 1989. In 1993, Wexner married Abigail Koppel, a 31-year-old lawyer, and the newlyweds relocated to Ohio: in 1996, Epstein moved into the town house. Public

documents suggest that the house is still owned by the trust that bought it, but Epstein has said that he now owns the house.

Wexner trusts Epstein so completely that he has assigned him the power of fiduciary over all of his private trusts and foundations, says a source close to Wexner. In 1992, Epstein even persuaded Wexner to put him on the board of the Wexner Foundation in place of Wexner's ailing mother. Bella Wexner recovered and demanded to be reinstated. Epstein has said they settled by splitting the foundation in two.

Epstein does not care that he comes between family members. In fact, he sees it as his job. He tells people, "I am there to represent my client, and if my client needs protecting—sometimes even from his own family—then it's often better that people hate me, not the client."

"You've probably heard I'm vicious in my representation of my clients," he tells people proudly; Leah Kleiman describes his haggling over art prices as something like a scene out of the movie *Mad Max: Beyond Thunderdome*. Even a former mentor says he's seen "the dark side" of Epstein, and a Bear Stearns source recalls a meeting in which Epstein chewed out a team making a presentation for Wexner as

TOP TO BOTTOM BY LISA NING, SARAH KILLEN, ADAM SCULL

being so brutal as to be "irresponsible."

One reporter, in fact, received three threats from Epstein while preparing a piece. They were delivered in a jocular tone, but the message was clear: There will be trouble for your family if I don't like the article.

On the other hand, Epstein is clearly very generous with friends. Joe Pagano, an Aspen-based venture capitalist, who has known Epstein since before his Bear Stearns days, can't say enough nice things: "I have a boy who's dyslexic, and Jeffrey's gotten close to him over the years. . . . Jeffrey got him into music. He bought him his first piano. And then as he got to school he had difficulty . . . in studying . . . so Jeffrey got him interested in taking flying lessons."

Rosa Monckton recalls Epstein telling her that her daughter, Domenica, who suffers from Down syndrome, needed the sun, and that Rosa should feel free to bring her to his house in Palm Beach anytime.

Some friends remember that in the late 80s Epstein would offer to upgrade the airline tickets of good friends by affixing first-class stickers: the only problem was that the stickers turned out to be unofficial. Sometimes the technique worked, but other times it didn't, and the unwitting recipients found themselves exiled to coach. (Epstein has claimed that he paid for the upgrades, and had no knowledge of the stickers.) Many of those who benefited from Epstein's largesse claim that his generosity comes with no strings attached. "I never felt he wanted anything from me in return," says one old friend, who received a first-class upgrade.

Epstein is known about town as a man who loves women—lots of them, mostly young. Model types have been heard saying they are full of gratitude to Epstein for flying them around, and he is a familiar face to many of the Victoria's Secret girls. One young woman recalls being summoned by Ghislaine Maxwell to a concert at Epstein's town house, where the women seemed to outnumber the men by far. "These were not women you'd see at Upper East Side dinners," the woman recalls. "Many seemed foreign and dressed a little bizarrely." This same guest also attended a cocktail party thrown by Maxwell that Prince Andrew attended, which was filled, she says, with young Russian models. "Some of the guests were horrified," the woman says.

"He's reckless," says a former business associate, "and he's gotten more so. Money does that to you. He's breaking the oath he made to himself—that he would never

media. Right now, in the wake of the publicity following his trip with Clinton, he must be in a very difficult place."

According to S.E.C. and other legal documents unearthed by *Vanity Fair*, Epstein may have good reason to keep his past cloaked in secrecy: his real mentor, it might seem, was not Leslie Wexner but Steven Jude Hoffenberg, 57, who, for a few months before the S.E.C. sued to freeze his assets in 1993, was trying to buy the *New York Post*. He is currently incarcerated in the Federal Medical Center in Devens, Massachusetts, serving a 20-year sentence for bilking investors out of more than \$450 million in one of the largest Ponzi schemes in American history.

When Epstein met Hoffenberg in London in the 1980s, the latter was the charismatic, audacious head of the Towers Financial Corporation, a collection agency that was supposed to buy debts that people owed to hospitals, banks, and phone companies. But Hoffenberg began using company funds to pay off earlier investors and service a lavish lifestyle that included a mansion on Long Island, homes on Manhattan's Sutton Place and in Florida, and a fleet of cars and planes.

Hoffenberg and Epstein had much in common. Both were smart and obsessed with making money. Both were from Brooklyn. According to Hoffenberg, the two men were introduced by Douglas Leese, a defense contractor. Epstein has said they were introduced by John Mitchell, the late attorney general.

Epstein had been running International Assets Group Inc. (I.A.G.), a consulting company, out of his apartment in the Solo building on East 66th Street in New York. Though he has claimed that he managed money for billionaires only, in a 1989 deposition he testified that he spent 80 percent of his time helping people recover stolen money from fraudulent brokers and lawyers. He was also not above entering into risky, tax-sheltered oil and gas deals with much smaller investors. A lawsuit that Michael Stroll, the former head of Williams Electronics Inc., filed against Epstein shows that in 1982 I.A.G. received an investment from Stroll of \$450,000, which Epstein put into oil. In 1984, Stroll asked for his money back; four years later he had received only \$10,000. Stroll lost the suit, after Epstein claimed in court, among other things, that the check for \$10,000 was for a horse he'd bought from Stroll. "My net worth never exceeded four and a half mil-

Hoffenberg, says a close friend, "really liked Jeffrey. . . . Jeffrey has a way of getting under your skin, and he was under Hoffenberg's." Also appealing to Hoffenberg were Epstein's social connections; they included oil mogul Cece Wang (father of the designer Vera) and Mohan Murjani, whose clothing company grew into Gloria Vanderbilt Jeans. Epstein lived large even then. One friend recalls that when he took Canadian heiress Wendy Belzberg on a date he hired a Rolls-Royce especially for the occasion. (Epstein has claimed he owned it.)

In 1987, Hoffenberg, according to sources, set Epstein up in the offices he still occupies in the Villard House, on Madison Avenue, across a courtyard from the restaurant Le Cirque. Hoffenberg hired his new protégé as a consultant at \$25,000 a month, and the relationship flourished. "They traveled everywhere together—on Hoffenberg's plane, all around the world, they were always together," says a source. Hoffenberg has claimed that Epstein confided in him, saying, for example, that he had left Bear Stearns in 1981 after he was discovered executing "illegal operations."

Several of Epstein's Bear Stearns contemporaries recall that Epstein left the company very suddenly. Within the company there were rumors also that he was involved in a technical infringement, and it was thought that the executive committee asked that he resign after his two supporters, Ace Greenberg and Jimmy Cayne, were outnumbered. Greenberg says he can't recall this; Cayne denies it happened, and Epstein has denied it as well. "Jeffrey Epstein left Bear Stearns of his own volition," says Cayne. "It was never suggested that he leave by any member of management, and management never looked into any improprieties by him. Jeffrey said specifically, 'I don't want to work for anybody else. I want to work for myself.'" Yet, this is not the story that Epstein told to the S.E.C. in 1981 and to lawyers in a 1989 deposition involving a civil business case in Philadelphia.

In 1981 the S.E.C.'s Jonathan Harris and Robert Blackburn took Epstein's testimony and that of other Bear Stearns employees in part of what became a protracted case about insider trading around a tender offer placed on March 11, 1981, by the Seagram Company Ltd. for St. Joe Minerals Corp. Ultimately several Italian and Swiss investors were found guilty, including Italian financier Giuseppe Tome, who had used his relationship with Seagram owner Edgar Bronfman Sr. to obtain information about the tender offer.

After the tender offer was announced, the S.E.C. began investigating trades in-



contains a parody of Affleck and Matt Damon making *Good Will Hunting II*, Affleck says to Damon, "What do I keep telling you? You gotta do the safe picture, then you do the art picture. Then sometimes you gotta do the payback picture because your friend says you owe him. Then sometimes you gotta go back to the well."

"Sometimes you do *Reindeer Games*," Damon says derisively.

"That's just mean," Affleck whines.

But it's a pretty accurate description of his career to date. "Ben takes these franchise properties so he can go and experiment," says Harvey Weinstein.

"He believes in trying to stretch himself and not keep doing the same thing," observes Bruce Willis, who starred with Affleck in *Armageddon*. "He's an awesome actor, and I think he's going to do great things."

Several years ago, in a televised interview on *Inside the Actors Studio*, Affleck said that his goal was to make big commercial movies. He has since revised his ambitions. "That's an adolescent aspiration, in a way. I'd rather be in movies like *Magnolia*, which I think is a towering achievement. I'll continue to act, but I won't act in a way that requires me to hang my name out there and do a lot of publicity. I'll do character roles and focus on writing and directing. It doesn't require the same kinds of sacrifice, in terms of quality of life and personal life, and it's a more holistic approach to the process. It's become increasingly frustrating for me to have my role in the storytelling process limited to one character. You have to be respectful and judicious about

your input when it's somebody else's project."

Affleck has always impressed colleagues with his voracious appetite for information and skills. "He has made it a point to learn everything he can about how the business works—not just the craft of acting, but from the producing standpoint, from the studio standpoint," says Jon Gordon, executive vice president of production at Miramax. "He knows how deals work. It's what sets him apart. If he wanted to run a studio at some point, he could. He's about as sharp as they come."

Affleck is already juggling his acting with screenwriting and such other commitments as Project Greenlight, the contest he and Damon started to help launch the careers of young filmmakers. Affleck's friends are certain he'll be directing soon. "There's no question," Weinstein says. "Both he and Matt. I think they're going to rewrite the rules. These guys can fix anything. There'll be home runs in both instances."

But there are other thoughts tickling the back of Affleck's mind as well. A passionate liberal, he campaigned for Al Gore, cares deeply about political issues, and is extremely well informed. He entertains himself by writing imaginary political speeches in his head. He would rather discuss AIDS in Africa than his movie career.

When Lopez goes to Affleck's mother's house for dinner, Weinstein reports, "J.Lo told me that the conversation at the table is always about politics—about government initiatives, educational initiatives, what's going on in the day."

So is Affleck planning to become the liberals' answer to Ronald Reagan? He admits that he entertains the thought of someday running for Congress, at least: "I think there's a real nobility to public service. It would be fun to run on a platform I really believed in, without any of the kind of compromise people make—without being beholden to the win-at-all-costs mentality."

And the invasion of privacy would be nothing new. "What are you going to say about me that hasn't already been said? I don't cheat, I don't drink, I don't do drugs. I live a clean life," Affleck says, his eyes twinkling.

"He's only 30 years old," says Jennifer Todd, who co-produced *Boiler Room*. "He still has an enormous amount of time to do things."

Time, and drive. "I think he's incredibly hungry," says Sean Bailey, who founded the media and production company LivePlanet with Affleck, Damon, and Chris Moore. "I think the guy has very grand aspirations. I don't think he's going to be content with just being a movie star. He knows he has the potential to do very big things."

Such ambitions could be derailed by any number of miscalculations, including a private life that generates too many sensational headlines, but Affleck has a clear idea of the ultimate goal. "On my deathbed, I have to be one who looks back and feels I lived a good and substantial and meaningful life," he says.

In the meantime, however, there's a wedding to plan. □

## Jeffrey Epstein

CONTINUED FROM PAGE 305 Bear Stearns and other firms. Epstein resigned from Bear Stearns on March 12. The S.E.C. was tipped off that Epstein had information on insider trading at Bear Stearns, and it was therefore obliged to question him. In his S.E.C. testimony, given on April 1, 1981, Epstein claimed that he had found "offensive" the way Bear Stearns management had handled a disciplinary action following its discovery that he had committed a possible "Reg D" violation—evidently he had lent money to his closest friend. (In the 1989 deposition he said that he'd lent approximately \$20,000 to Warren Eisenstein, to buy stock.) Such an action could have been considered improper, although Epstein claimed he had not realized this until afterward.

According to Epstein, Bear Stearns management had questioned him about the loan

Alvin Einbender. In his 1989 deposition Epstein recalled that the partner who had made an "issue" of the matter was Marvin Davidson. On March 9, Epstein said, he had met with Tarnopol and Einbender again, and the two partners told him that the executive committee had weighed the offense, together with previous "carelessness" over expenses, and he would be fined \$2,500.

"There was discussion whether, in fact, I had ever put in an airline ticket for someone else and not myself and I said that it was possible. ... since my secretary handles my expenses," Epstein told the S.E.C. In his 1989 testimony he stated that the "Reg D" incident had cost him a shot at partnership that year.

What the S.E.C. seemed to be especially interested in was whether there was a connection between Epstein's leaving and the alleged insider trading in St. Joe Minerals by other people at Bear Stearns:

nection with your reasons for leaving the firm?

A: I'm aware that there were many rumors.

Q: What were the rumors you heard?

A: Nothing to do with St. Joe.

Q: Can you relate what you heard?

A: It was having to do with an illicit affair with a secretary.

Q: Have you heard any other rumors suggesting that you had made a presentation or communication to the Executive Committee concerning alleged improprieties by other members or employees of Bear Stearns?

A: I, in fact, have heard that rumor, but it's been from Mr. Harris in our conversation last week.

Q: Have you heard it from anyone else?

A: No.

A little later the interview focuses on James Cayne:

Q: Did you ever hear while you were at Bear Stearns that Mr. Cayne may have traded or considered information in connection with St. Joe Minerals Corporation?

A: No.

Q: Did Mr. Cayne ever have any conversation with you about St. Joe Minerals?

A: No.

## Jeffrey Epstein

tions between Mr. Cayne and anyone else regarding St. Joe Minerals?

A: No.

And still later in the questioning comes this exchange:

Q: Have you had any type of business dealings with Mr. Cayne?

A: There's no relationship with Bear Stearns.

Q: Pardon?

A: Other than Bear Stearns, no.

Q: Have you been a participant in any type of business venture with Mr. Cayne?

A: No.

Q: Do you have any expectation of participating in any business venture with Mr. Cayne?

A: No.

Q: Have you had any business participations with Mr. Theram?

A: No; nor do I anticipate any.

Q: Mr. Epstein, did anyone at Bear Stearns tell you in words or substance that you should not divulge anything about St. Joe Minerals to the staff of the Securities and Exchange Commission?

A: No.

Q: Has anyone indicated to you in any way, either directly or indirectly, in words or substance, that your compensation for this past year or any future monies coming to you from Bear Stearns will be contingent upon your not divulging information to the Securities and Exchange Commission?

A: No.

Despite the circumstances of Epstein's leaving, Bear Stearns agreed to pay him his annual bonus—which he anticipated as being approximately \$100,000.

The S.E.C. never brought any charges against anyone at Bear Stearns for insider trading in St. Joe, but its questioning seems to indicate that it was skeptical of Epstein's answers. Some sources have wondered why, if he was such a big producer at Bear Stearns, he would have given it up over a mere \$2,500 fine.

Certainly the years after Epstein left the firm were not obviously prosperous ones. His luck didn't seem to change until he met Hoffenberg.

One of Epstein's first assignments for Hoffenberg was to mastermind doomed bids to take over Pan American World Airways in 1987 and Emery Air Freight Corp. in 1988. Hoffenberg claimed in a 1993 hearing before a grand jury in Illinois that Epstein came up with the idea of financing these bids through Towers's acquisition of two ailing Illinois insurance companies, Associated Life and United Fire. "He was hired by us to work on the securities side of the insurance companies and Towers Financial, supposedly to make a profit for us and for the companies," Hoffenberg reportedly told the grand jury. He also

executing the schemes, although, having no broker's license, he had to rely on others to make the trades. Much of Hoffenberg's subsequent testimony in his criminal case has proven to be false, and Epstein has claimed he was merely asked how the bids could be accomplished and has said he had nothing to do with the financing of them. Yet Richard Allen, the former treasurer of United Fire, recalls seeing Epstein two or three times at the company. He and another executive say they had direct dealing with Epstein over the finances. And in his deposition of 1989, Epstein stated that he was the one who executed "all" Hoffenberg's instructions to buy and sell the stock. He called it "making the orders." He could not recall whether he had chosen the brokers used.

To win approval from the Illinois insurance regulators for Towers's acquisition of the companies, Hoffenberg promised to inject \$3 million of new capital into them. In fact, in his grand-jury testimony Hoffenberg claimed that he, his chief operating officer, Mitchell Brater, and Epstein came up with a scheme to steal \$3 million of the insurance companies' bonds to buy Pan Am and Emery stock. "Jeffrey Epstein and Mitch Brater arranged the various brokerage accounts for the bonds to be placed with in New York, and I think one in Chicago, Rodman & Renshaw," Hoffenberg reportedly said. Then, said Hoffenberg, while making it appear as though they were investing the bonds in much safer financial instruments, they used them as collateral to buy the stock. "Epstein was the person in charge of the transactions, and Mitchell Brater was assisting him with it in coordination on behalf of the insurance companies' money," Hoffenberg claimed at the time.

At one point, according to Hoffenberg, a broker forged the documents necessary for a \$1.8 million check to be written on insurance-company funds. The check was used to buy more stock in the takeover targets. Meanwhile, in order to throw the insurance regulators off, the \$1.8 million was reported as being safely invested in a money-market account.

United Fire's former chief financial officer Daniel Payton confirms part of Hoffenberg's account. He says he recalls making one or two telephone calls to Epstein (at Hoffenberg's direction) about the missing bonds. "He said, 'Oh, yeah, they still exist.' But we found out later that he had sold those assets ... leveraged them ... [and] used some margin account to take some positions in ... Emery and Pan Am," says Payton.

Epstein's extraordinary creativity was, according to Hoffenberg, responsible for the purchase by the insurance companies of a \$500,000 bond, with no money down. "Epstein created a great scheme to purchase a \$500,000 treasury bond that would not be

he reportedly told the grand jury. "It looked like it was free and clear but it actually wasn't," he said.

Epstein has denied he ever had any dealings with anyone from the insurance companies. But Richard Allen says he recalls talking to Epstein at Hoffenberg's direction and telling him it was urgent they retrieve the missing bonds for a state examination. According to Allen, Epstein said, "We'll get them back." He had "kind of a flippant attitude," says Allen. "They never came back."

Epstein, according to Hoffenberg, also came up with a scheme to manipulate the price of Emery Freight stock in an attempt to minimize the losses that occurred when Hoffenberg's bid went wrong and the share price began to fall. This was alleged to have involved multiple clients' accounts controlled by Epstein.

Eventually, in 1991, insurance regulators in Illinois sued Hoffenberg. He settled the case, and Epstein, who was only a paid consultant, was never deposed or accused of any wrongdoing. Barry Gross, the attorney who was handling the suit for the regulators, says of Epstein, "He was very elusive. ... It was hard to really track him down. There were a substantial number of checks for significant dollars that were paid to him. I remember. ... He was this character we never got a handle on. Again we presumed that he was involved with the Pan Am and Emery run that Hoffenberg made, but we never got a chance to depose him."

"From the government's discovery in the main sentencing against Hoffenberg it would seem the government was perhaps a bit lazy," says David Lewis, who represented Mitchell Brater. "They went for what they knew they could get ... and that was the fraudulent promissory notes [i.e., the much larger and unrelated part of Hoffenberg's fraud, based in New York State]. ... What they couldn't get, they didn't bother with."

Another lawyer involved in the criminal prosecution of Hoffenberg says, "In a criminal investigation like that, when there is a guilty plea, to be quick and dirty about it, discovery is always incomplete. ... They don't have to line up witnesses; they don't have to learn every fact that might come out on cross-examination."

Epstein was involved with Hoffenberg in other questionable transactions. Financial records show that in 1988 Epstein invested \$1.6 million in Riddell Sports Inc., a company that manufactures football helmets. Among his co-investors were the theater mogul Robert Nederlander and attorney Leonard Toboroff. A source close to this transaction claims that Epstein told Nederlander and Toboroff that he had raised his share of the money from a Swiss banker.



whose identity they could not be allowed to know. But Hoffenberg has claimed the money came from him, and Towers's financial statements for that year show a loan to Epstein of \$400,000. (Epstein has said he can't remember the details and has disputed the accuracy of the Towers financial reports.)

Around the same time, Nederlander and Toboroff let Epstein come in with them on a scheme to make money out of Pennwalt, a Pennsylvania chemical company. The plan was to group together with two other parties to take a substantial declared position in the stock. According to a source, Epstein was supposed to help Nederlander and Toboroff raise \$15 million. He seemed to fail to find other investors, say those familiar with the deal. (Epstein has said he was merely an investor.) He invested \$1 million, which he told his co-investors was his own money. But in his 1989 deposition he said that he put in only \$300,000 of his own money. Where did the rest come from? Hoffenberg has said it came from him, in a loan that Nederlander and Toboroff didn't know about.

Two things happened that alarmed Nederlander and Toboroff. After the group signaled a possible takeover, the Pennwalt management threatened to sue the would-be raiders. Epstein was reluctant initially to give a deposition about his share of the money, telling Toboroff there were "reasons" he didn't want to. Then, after the opportunity for new investors was closed, co-investors recall Epstein announcing that he'd found one at last: Dick Snyder, then C.E.O. of the publisher Simon & Schuster, who wanted to put up approximately \$500,000. (Neither Epstein nor Snyder can now recall the investment. Yet in the 1989 deposition Epstein said that he had recruited Snyder, whom he had met socially, into the deal.)

According to a source, Toboroff and Nederlander told Epstein that Snyder was too late, but, without their realizing it, Hoffenberg has claimed, Snyder wrote a check to Hoffenberg and bought out some of his investment. But then Snyder wanted out.

"Nederlander started to get these irate calls from [Snyder] who wasn't part of the deal, saying he was owed all this money," says someone close to the deal. Toboroff

Just as Nederlander and Toboroff were growing wary of Epstein, he became increasingly involved with Leslie Wexner, whom he had met through insurance executive Robert Meister and his late wife. Epstein has told people that he met Wexner in 1986 in Palm Beach, and that he won his confidence by persuading him not to invest in the stock market, just as the 1987 crash was approaching. His story has subsequently changed. When asked if Wexner knew about his connection to Hoffenberg, Epstein said that he began working for Wexner in 1989, and that "it was certainly not the same time."

Wherever and whenever it was that Epstein and Wexner actually met, there was an immediate and strong personal chemistry. Wexner says he thinks Epstein is "very smart with a combination of excellent judgment and unusually high standards. Also, he is always a most loyal friend."



OFFICE SPACE

The "office" in Epstein's house. It has no computers, but it does have a desk that Epstein tells people once belonged to banker J. P. Morgan, and "the largest Persian rug you'll ever see in a private home."

Sources say Epstein proved that he could be useful to Wexner as well, with "fresh" ideas about investments. "Wexner had a couple of bad investments, and Jeffrey cleaned those up right away," says a former associate of Epstein's.

Before he signed on with Wexner, Epstein had several meetings with Harold Levin, then head of Wexner Investments, in which he enunciated ideas about currencies that Levin found incomprehensible. "In fact," says someone who used to work very closely with Wexner, "almost everyone at the Limited wondered who Epstein was; he literally came out of nowhere."

Much of Epstein's work is related to cleaning up, tightening budgets, and efficiencies. One person who worked for Wexner and who saw a contract drawn up between the two men says Epstein is involved in "everything, not just a little here, a little there. Everything!" In addition, he says, "Wexner likes having a hatchet man.... Whenever there is dirty work to be done he'd stick Jeffrey on it.... He has a reputation for being ruthless but he gets the job done."

Epstein has evidently been asked to fire personal-staff members when needed. "He was that mysterious person that everyone was scared to death of," says a former employee.

Meanwhile, he is also less than popular with some people outside Wexner's company with whom he now deals. "He 'inserted' himself into the construction process of Leslie Wexner's yacht.... That resulted in litigation down the road between Mr. Wexner

and the shipyard that eventually built the vessel," says Lars Forsberg, a lawyer whose firm at the time, Dickerson and Reilly, was hired to deal with litigation stemming from the construction of Wexner's *Limitless*—at 315 feet, one of the "largest private yachts in the world. Evidently, Epstein stalled on paying Dickerson and Reilly for its work. 'It's probably once or twice in my legal career that I've had to sue a client for payment of services that he'd requested and we'd performed... without issue

on the performance," says Forsberg. In the end the matter was settled, but Epstein claims he now has no recollection of it.

The incident is one of a number of disputes Epstein has become embroiled in. Some are for sums so tiny as to be baffling; for instance, Epstein sued investment adviser Herbert Glass, who sold him the Palm Beach house in 1990, for \$13,444—Epstein claimed this was owed him for furnishings removed by Glass.

In 1998 the U.S. Attorney's Office sued Epstein for illegally subletting the former home of the deputy consul general of Iran to attorney Ivan Fisher and others. Epstein paid \$15,000 a month in rent to the State Department, but he charged Fisher and his colleagues \$20,000. Though the exact terms of the agreement are sealed, the court ruled against Epstein.

Wexner offers some insight into his relationship with Epstein.

# Jeffrey Epstein

he is winning. Whether in conversations or negotiations, he always stands back and lets the other person determine the style and manner of the conversation or negotiation. And then he responds in their style. Jeffrey sees it in chivalrous terms. He does not pick a fight, but if there is a fight, he will let you choose your weapon."

One case is rather more serious. Currently, Citibank is suing Epstein for defaulting on loans from its private-banking arm for \$20 million. Epstein claims that Citibank "fraudulently induced" him into borrowing the money for investments. Citibank disputes this charge.

The legal papers for another case offer a rare window into Epstein's finances. In 1995, Epstein stopped paying rent to his landlord, the nonprofit Municipal Arts Society, for his office in the Villard House. He claimed that they were breaking the terms of the lease by not letting his staff in at night. The case was eventually settled. However, one of the papers filed in this dispute is Epstein's financial statement for 1988, in which he claimed to be worth \$20 million. He listed that he owned \$7 million in securities, \$1 million in cash, zero in residential property (although he told sources that he had already bought the home in Palm Beach), and \$11 million in other assets, including his investment in Riddell. A co-investor in Riddell says: "The company had been bought with a huge amount of debt, and it wasn't public, so it was meaningless to attach a figure like that to it... the price it cost was about \$1.2 million." The co-investors bought out Epstein's share in Riddell in 1995 for approximately \$3 million. At that time, when Epstein was asked, as a routine matter, to sign a paper guaranteeing he had access to a few million dollars in case of any subsequent disputes over the sale price, Wexner signed for him. Epstein has explained that this was because the co-investors wanted an indemnity against being sued by Wexner. One of the investors calls this "bullshit."

Epstein's appointment to the board of New York's Rockefeller University in 2000 brought him into greater social prominence. Boasting such social names as Nancy Kissinger, Brooke Astor, and Robert Bass, the board also includes such pre-eminent scientists as Nobel laureate Joseph Goldstein. "Epstein was thrilled to be elected," says someone who knows him.

After one term Epstein resigned. According to *New York* magazine, this was because he didn't like to wear a suit to meetings. A

was "arrogant" and "not a good fit." The spokesperson admits that it is "infrequent" for board members not to be renominated after only one term.

Still, the recent spate of publicity Epstein has inspired does not seem to have fazed him. In November he was spotted in the front row of the Victoria's Secret fashion show at New York's Lexington Avenue Armory; around the same time the usual coterie of friends and beautiful women were whisked off to Little St. James (which he tells people has been renamed Little St. Jeff) for a long weekend.

Thanks to Epstein's introductions, says Martin Nowak, the biologist finds himself moving from Princeton to Harvard, where he is assuming the joint position of professor of mathematics and professor of biology. Epstein has pledged at least \$25 million to Harvard to create the Epstein Program for Mathematical Biology and Evolutionary Dynamics, and Epstein will have an office at the university. The program will be dedicated to searching for nature's algorithms, a pursuit that is a specialty of Nowak's. For Epstein this must be the summit of everything he has worked toward: he has been seen proudly displaying Harvard president Larry Summers's letter of commitment as if he can't quite believe it is real. He says he was reluctant to have his name attached to the program, but Summers persuaded him. He rang his mentor Wexner about it, and Wexner told him it was all right.

An insatiable, restless soul, always on the move, Epstein builds a tremendous amount of downtime into his hectic work schedule. Yet there is something almost programmed about his relaxation: it's as if even pleasure has to be measured in terms of self-improvement. Nowak says that, when he goes to stay with Epstein in the Caribbean, they'll get up at six and, as the sun rises, have three-hour conversations about theoretical physics. "Then he'll go off and do some work, re-appear, and we'll talk some more."

Another person who went to the island with Epstein, Maxwell, and several beautiful women remembers that the women "sat around one night teasing him about the kinds of grasping women who might want to date him. He was amused by the idea... He's like a king in his own world."

Many people comment there is something innocent, almost childlike about Jeffrey Epstein. They see this as refreshing, given the sophistication of his surroundings. Alan Dershowitz says that, as he was getting to know Epstein, his wife asked him if he would still be close to him if Epstein suddenly filed for bankruptcy. Dershowitz says he replied, "Absolutely. I would be as interested in him as a friend if we had hamburgers on the

## CREDITS

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**Page 96:** Chrome Hearts shirt from Chrome Hearts, NYC, or call [redacted] for Ray-Ban sunglasses, call 888-LUXOTTICA.

**Page 123:** Peter Cincotti's Emporio Armani shirt from Emporio Armani boutiques nationwide; Ralph Lauren suspenders from selected Polo Ralph Lauren stores; Kim Meehan for Walter Schupfer Management.

**Page 140:** Peter Cincotti's shirt by Thomas Pink; suit by Giorgio Armani; tie by DKNY; Brioni coat by special order from selected Brioni stores.

**Page 151:** Lev Glazman and Alina Roytberg styled by Jane Herships.

**Page 160:** Styled by Angela Groff for Ennis, Inc.

**Page 214:** For June Havae's Gina Simonelli Designs scarf, available by special order, call 978-499-2915.

**Page 220:** Bernadette Peters's Donna Karan New York dress from Donna Karan New York stores nationwide and Bergdorf Goodman, NYC; Paul Smith Women coat from Henri Bendel, NYC, and Traffic, LA; Chanel jewelry and gloves from Chanel boutiques nationwide, or call 800-550-0005; Narciso Rodriguez shoes from Jill Kohl, Santa Monica, Calif., and Capital, Charlotte, N.C.; Lambertson Truex handbag by special order from Bergdorf Goodman, NYC; Ghurka luggage from Ghurka, NYC, or call 800-587-5584.

**Page 223:** Agnes Bruckner's Tom Ford for Yves Saint Laurent Rive Gauche dress from Yves Saint

Laurent Rive Gauche boutiques, NYC, and Houston.

**Page 226:** Dyan Cannon styled by Linda Medvene; top and pants by Dolce & Gabbana, from Dolce & Gabbana, Beverly Hills; jewelry by Wendy Walker, from Wendy Walker, LA; shoes by Jimmy Choo, from Jimmy Choo, Beverly Hills.

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**Page 281:** Tommy Hilfiger jacket from Tommy Hilfiger stores worldwide, or call 800-TOMMY4U; Double RL T-shirt from Double RL, NYC, and LA.



# The Harvard Crimson

ONLINE EDITION

## News

### Donor Charged With Soliciting Sex from Women

Dershowitz assisted Epstein in his defense, discredited witnesses with online profiles

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By KATHERINE M. GRAY

Crimson Staff Writer

Billionaire money manager Jeffrey E. Epstein, who donated \$30 million to Harvard in 2003, has been charged with soliciting sex from prostitutes in his Palm Beach, Florida mansion.

And though Epstein's case was originally to be presented to a grand jury in February, it was postponed after Frankfurter Professor of Law Alan M. Dershowitz, a longtime friend of Epstein, produced information weakening some the accusers' credibility, according to the Palm Beach Post.

New York State Attorney General and gubernatorial candidate Eliot L. Spitzer and New York attorney general candidate Mark A. Green have both returned gifts of \$50,000 and \$10,000 from Epstein, respectively, according to the New York Daily News.

University President Derek C. Bok did not respond to requests for comment this week, and it is unclear what, if any, action will be taken against Epstein's \$30 million, which was given in February 2003 to fund the research of mathematical biologist Martin A. Nowak.

According to an indictment that was unsealed last week, Epstein allegedly solicited sex at least three times between Aug. 1 and Oct. 31 of last year.

Epstein's charges stem from alleged sexual encounters with of-age women.

The Palm Beach Police Department believed it had probable cause to charge Epstein with four counts of unlawful sexual activity with a minor and of lewd and lascivious molestation, according to an affidavit.

But a grand jury found the witnesses in the affidavit released by the police department not credible, according to Epstein's defense attorney, Jack A. Goldberger.

In an attempt to discredit the reliability of the girls' testimony, Dershowitz gave the police copies of two myspace.com profiles of girls who testified in the affidavit against Epstein, according to a Palm Beach Police report,

One girl's profile showed messages from her friends that "contain some profanity," according to the report. The report further says that the other girl's profile "states that her interests include music, theater and weed (Marijuana)."

Dershowitz declined to comment on this issue through an assistant.

When asked whether Dershowitz was hired by Epstein or was working for him pro bono, Goldberger declined comment, and said only that Dershowitz and Epstein have been friends "for many years."

In April, then-Epstein lawyer Guy Fronstin accepted a plea deal that would have the billionaire plead guilty to one count of aggravated assault with intent to commit a felony, and would give him five years' probation but no criminal record, according to the Post. That deal was to only apply to charges from one of the five alleged victims.

Fronstin has since been fired, and Goldberger said that no such plea deal was made by any of Epstein's attorneys, according to the Post.

"It was absolutely clear to both the state attorney and grand jury that Epstein had no knowledge that any girl that came to his house was underaged," Goldberger told The Crimson Wednesday. "He passed a polygraph examination on that very issue."

According to the probable cause affidavit released by the Palm Beach Police Department, one of the girls Epstein solicited was a 16-year-old girl who performed sexual acts for him in his bedroom on several occasions over a span of two years.

The woman, whose name was blotted from the affidavit, told the police that she would completely remove her clothes and begin massaging Epstein's back, while he lay on a massage table, wearing only a towel. She would then massage his chest, and Epstein would begin to masturbate both himself and the woman.

But "the woman referred to in the police report wasn't in the country at the time," Lefcourt said Wednesday, referring to the affidavit. "I do know that it was impossible to have happened the way it did."

Prosecutor Lanna Belohlavek could not be reached for comment this week.

Epstein, who in 2003 was named one of New York's most eligible bachelors by the New York Post, achieved fame after he took President Clinton, Chris Tucker, and Kevin Spacey on an African AIDS awareness tour via his personal jet in 2002.

In a 2002 New York Magazine article, Donald Trump described long-time friend Epstein as "a lot of fun to be with."

"It is even said that he likes beautiful women as much as I do, and many of them are on the younger side. No doubt about it—Jeffrey enjoys his social life," Trump said.

—Material from the Associated Press was used in the reporting of this article.  
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Jeffrey Epstein plea hearing moved to March

By MICHELE DARGAN  
Daily News Staff Writer

Thursday, January 03, 2008

A plea hearing for part-time Palm Beacher Jeffrey Epstein will be rescheduled to March, his New York attorney confirmed Wednesday.

The Manhattan money manager is expected to plead guilty to a felony charge of solicitation of prostitution. The hearing originally was scheduled for Friday.

Sources have confirmed that the deal will put Epstein in prison for 18 months, followed by house arrest.

"The plea conference will be moved to March, but it will be resolved, we believe," attorney Gerald Lefcourt said by phone.

Although he declined to give a reason, Lefcourt said the date change was agreed to by both the defense and the prosecution.

Mike Edmondson, spokesman for State Attorney Barry Krischer, declined to comment.

"It's a matter of policy we don't comment on active cases," Edmondson said.

In exchange for his guilty plea, federal authorities are expected to drop their probe into whether Epstein broke any federal laws, sources have said.

Epstein, 54, was indicted in July 2006 on a felony charge of solicitation of prostitution. After completing an 11-month investigation, Palm Beach police said Epstein paid five underage girls for massages and sometimes sex at his El Brillo Way home.

The investigation began after police received a call from a woman who said her 14-year-old stepdaughter might have been molested by a man in Palm Beach.

Investigators watched Epstein's 7,234-square-foot waterfront home and private jet, and rummaged through his trash to build their case. They took sworn statements from five alleged victims and 17 witnesses.



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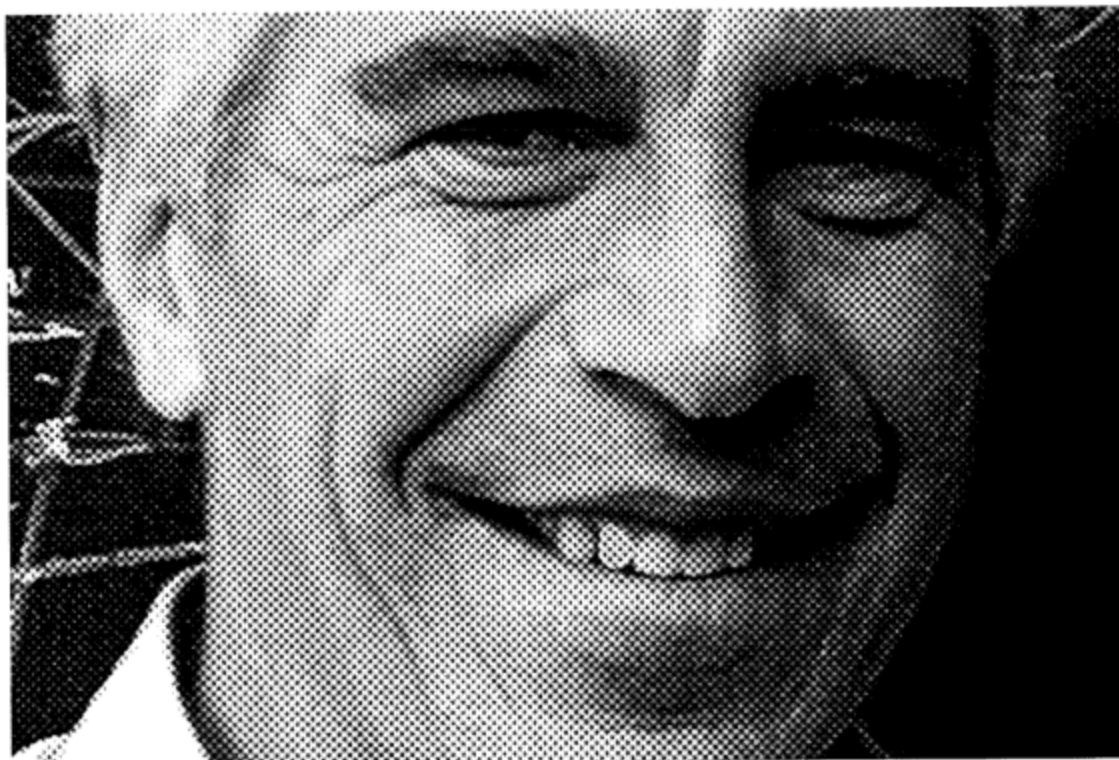
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## Features

### The Fantasist

Accused of paying underage girls for sex, superrich money manager Jeffrey Epstein is finding that living in a dream world is dangerous—even if you can pay for it.

- By [Philip Weiss](#)
- Published Dec 10, 2007



Corbis)

Jeffrey Epstein is under indictment for sex crimes in Palm Beach, Florida, and I'd expected that when he came into the office of PR guru Howard Rubenstein, he would be sober and reserved. Quite the opposite. He was sparkling and ingenuous, apologizing for the half-hour lateness with a charming line—"I never realized how many one-way streets and no-right-turns there are in midtown. I finally got out and walked"—and as we went down the corridor to Rubenstein's office, he asked, "Have you managed to talk to many of my friends?" Epstein had been supplying me the phone numbers of important scientists and financiers and media figures. "Do you understand what an extraordinary group of people

they are, what they have accomplished in their fields?"

One of the accusers—a girl of 14—had put his age at 45, not in his fifties, and you could see why. His walk was youthful, and his face was ruddy with health. He had none of the round-shouldered, burdened qualities of middle age. There was nothing in his hands, not a paper, a book, or a phone. Epstein had on his signature outfit: new blue jeans and a powder-blue sweater. "I've only ever seen him in jeans," his friend the publicist Peggy Siegal had reported, saying there was a hint of arrogance in that, Epstein's signal that he doesn't have to wear a uniform like the rest of us.

I told Epstein and Rubenstein the sort of story *New York* wanted to do, and Epstein seemed to find ironic delight in every word. "A secretive genius," I'd said. "Not secretive, private," he corrected in his warm Brooklyn accent. "And if I was a genius I wouldn't be sitting here." "A guy with sex issues." A smile formed on Epstein's bow-shaped lips. "What do you mean by sex issues?" Well ... He was 54, had never married—I didn't finish. "Are you channeling my mother?"

When I said we were interested in the agony of his ordeal, Rubenstein wrote out the word agony in capital letters on his pad. But agony seemed the last thing on Epstein's soul. "It's the Icarus story, someone who flies too close to the sun," I said. "Did Icarus like massages?" Epstein asked.

Two years before, he had tried to explain himself to the Palm Beach police in the same way. After they came into his mansion with a search warrant and carted off massage tables and photos of naked girls and soaps shaped like genitalia, Epstein conveyed an urgent message to the detectives through his attorney. "Mr. Epstein is very passionate about massages ... The massages are therapeutic and spiritually sound for him; that is why he has had many massages." Epstein had even given \$100,000 to Ballet Florida's massage fund, so that the dancers might also be treated.

I never got to interview Epstein at length. His dream team of lawyers led by Gerald Lefcourt was negotiating a plea with Florida state prosecutors in advance of a January 7 trial date. It is expected that Epstein will plead guilty to soliciting prostitution and get an eighteen-month sentence—not that there's likely to be a shameful admission. He has always had the confidence that comes with the power to dazzle and, though accused of "doing everything in Sodom and Gomorrah," as one friend put it, seemed to believe that he could convince any halfway sophisticated person that he wasn't the least bit tawdry.

"He lives in a different environment," says Siegal. "He's of this world. But he creates this different environment. He lives like a pasha. The most magnificent townhouse I've ever been in, and I've been in everything. I've seen a model of the house in Santa Fe ... a stone fortress. A model of the house in the Caribbean—it is not to be believed. I've seen photographs of the apartment in Paris ... How did he get himself into that pickle? That's the mystery of Jeffrey Epstein. He's very mysterious. Not that many people get close to him. Not that many people know him."

The descriptions of Epstein's character veer between visionary and big talker. His world seems to be at an astral distance from normal humanity. He lives in what is described as the largest private residence in Manhattan, about 50,000 square feet in nine stories between Fifth and Madison on 71st. Visitors report a stuffed poodle is on the piano. The house, said one visitor, is like what Hollywood might imagine when it tries to show the superrich. When Epstein noticed the visitor's astonishment at his surroundings, he leaned against a wall with a soft smile and tapped the paneling. "It's all fake," he said. Epstein grew up in Coney Island, the son of a Parks Department employee. He never got a college degree. He studied science at Cooper Union and then NYU before migrating inevitably toward wealth. For two years, he was a charismatic teacher of physics and math at the Dalton School on the Upper East Side, till Ace Greenberg, a friend of the father of one of Epstein's students, offered him a job at Bear Stearns. In one

of the charmingly inevitable accidents of Epstein's rise, Greenberg was a senior partner of the house; Bear Stearns CEO Jimmy Cayne later told *New York* that Epstein's forte was dealing with wealthier clients, helping them with their overall portfolios. Leslie Wexner, founder of Limited Brands, reportedly made Epstein his financial adviser and was instrumental in building his fortune. Epstein was no footman; he loved luxury and, in his own words, saw himself as a financial architect, someone who could show the rich how to live with their money. "I want people to understand the power, the responsibility, and the burden of their money," he once wrote. At times, his powers seemed magical. "I think it's all done with mirrors," says Michael Stroll, a Chicago businessman who sued Epstein (and lost) when an oil deal didn't work out.

Next: Epstein's Icarus moment.



The New York Times



Redux)

Stroll says he could never get a straight line from Epstein. "Everybody who's his friend thinks he's so darn brilliant because he's so darn wealthy. I never saw any brilliance, I never saw him work. Anybody I know that is that wealthy works 26 hours a day. This guy plays 26 hours a day."

Those who believe in Epstein say that his intelligence works in a lofty and synthetic manner. "His mind goes through a cross section of descriptions," says Joe Pagano, a financier. "He can go from mathematics to psychology to biology. He takes the smallest amount of information and gets the correct answer in the shortest period of time. That's my definition of IQ."

A Columbia University geneticist says Epstein has that insight in science, too. "He has the ability to make connections that other minds can't make," says Richard Axel, a Nobel Prize winner. "He is extremely smart and probing. He can very quickly acquire information to think about a problem and also to identify biological problems without having all the data that a scientist would have ... He also has an extremely short attention span. Why?—it's not that he's bored. He has enough information after fifteen

minutes so that you can see his mind thrashing about, as if in a labyrinth. And even to doubt an expert's statements."

Epstein has been a munificent supporter of cutting-edge research. Axel met Epstein during the early biotech days of the eighties. The writer Michael Wolff met him in the Internet bubble, in the late nineties, when Epstein invited him and a group of scientists and media types to fly to a conference on the West Coast in his beautiful 727.

"It was all a little giddy," Wolff says. "There's a little food out, lovely hors d'oeuvre. And then after fifteen to twenty minutes, Jeffrey arrives. This guy comes onboard: He was my age, late forties, and he had a kind of Ralph Lauren look to him, a good-looking Jewish guy in casual attire. Jeans, no socks, loafers, a button-down shirt, shirttails out. And he was followed onto the plane by—how shall I say this?—by three teenage girls not his daughters. Not adolescent girls. These are young, 18, 19, 20, who knows? They were model-like. They towered over Jeffrey. And they immediately began serving things. You didn't know what to make of this ... Who is this man with this very large airplane and these very tall girls?"

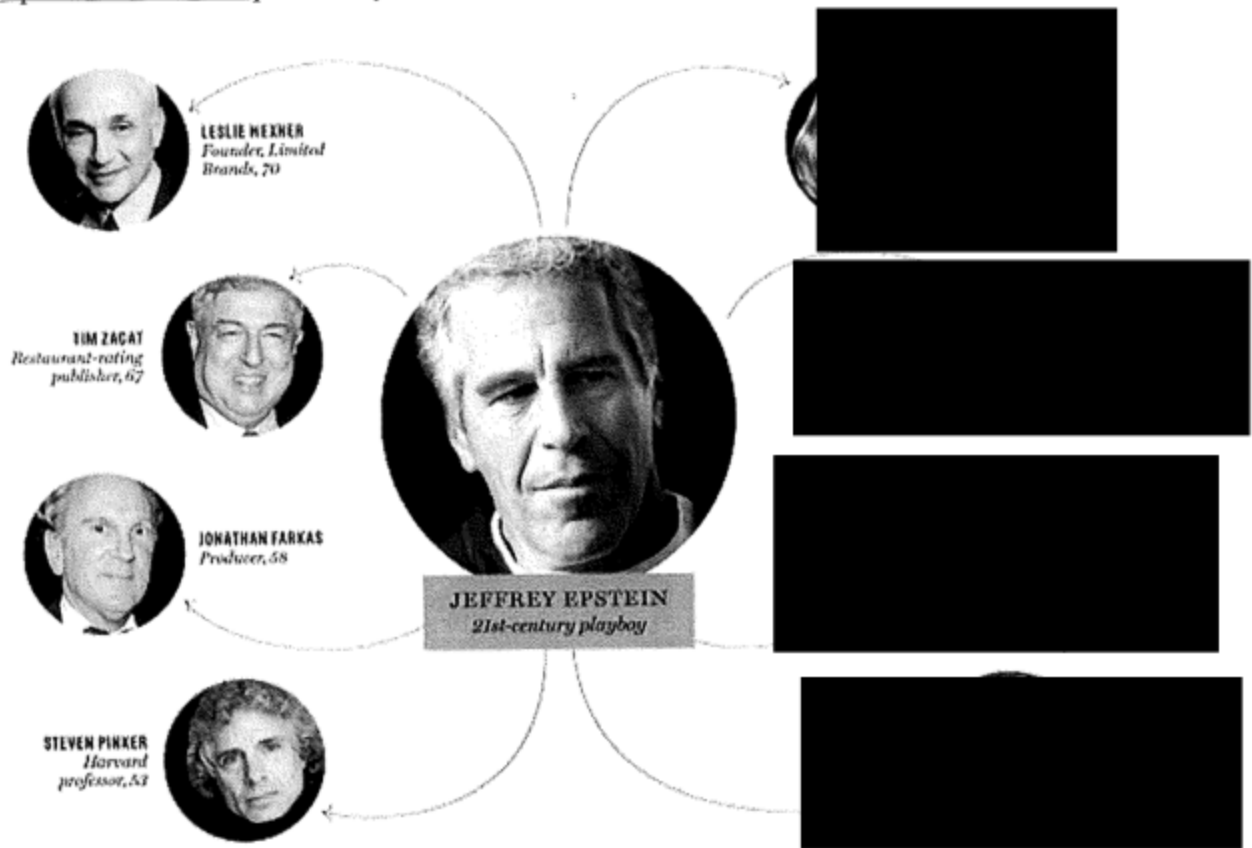
Soon after, Wolff was invited to tea at the house on East 71st Street. He understood that there was a purpose to the cultivation. Epstein was shifting his view to media, in his *Über*-way. "What does the media mean, where does he fit into it?" Then Epstein began to show up in the press. In 2002, he flew Bill Clinton and Kevin Spacey to Africa on his plane to discuss aids policy, and suddenly he was being written about. In 2003, he became a discreet confidant to Wolff during the period when Wolff was involved in a bid for *New York Magazine*. Sometime after that, Wolff saw the financial architect in his office at 457 Madison Avenue, the Villard House, where Random House once had its offices. "His literal office is where Bennett Cerf's was. It's an incredibly strange place. It has no corporate affect at all. It's almost European. It's old—old-fashioned, unrehabbed in its way." Nearby, Wolff went on, "the trading floor is filled with guys in yarmulkes. Who they are, I have no idea. They're like a throwback, a bunch of guys from the fifties. So here is Jeffrey in this incredibly beautiful office, with pieces of art and a view of the courtyard, and he seems like the most relaxed guy in the world. You want to say 'What's going on here?' and he gives you that Cheshire smile."

Epstein likes to say he's private, but you don't fly Bill Clinton to Africa without wanting attention. One friend says the Africa trip was Epstein's Icarus moment. There was tremendous risk that the natural forces of resentment would bring the too-smart, too-rich spirit back to earth. This is the friends' theory of the Palm Beach case: an overzealous police chief batted onto a rich man because he was not living in a box like everyone else.

The dazzling arc of Epstein's comet came to an end—without his knowing it—in March 2005. That was when a distraught woman called the police in Palm Beach and, after at first refusing to give her name, said that she believed her 14-year-old stepdaughter had been molested by a wealthy man. The stepmother had learned about the matter in a roundabout way. The girl lived during the week at an "involuntary-admitted juvenile educational facility" because of behavior problems. She had shown up at the school with \$300 in her purse, and it became the talk of her classmates. One friend called the girl a "whore," another friend put a fist through the wall in anger, the girl left school. The stepmother got a call from another student's mother. Soon, a policewoman was talking to the girl with a therapist present. The girl cried and dug her finger into her thigh and told the story, of going to a big house on the Atlantic Intracoastal Waterway, and climbing a spiral staircase to the master bedroom, where a blonde woman of 25 who wasn't very friendly laid out sheets and lotions on a massage table and left, then Jeff came in, naked but for a towel, and sternly ordered the girl to take off her clothes. As she rubbed his chest, he touched himself, then applied a vibrator to her crotch.



Next: The police lock onto Epstein's sybaritic lifestyle.



Getty Images; Patrick McMullan; Donna Ward/Getty Images; AP)

Splash News; Palm Beach Post; David Levenson

The lengthy police narrative in the case doesn't make clear how police connected gray-haired Jeff with Jeffrey Epstein, but when the girl identified his picture in an instant in a photo lineup, police threw themselves into an investigation of the modern and palatial house on El Brillo Way.

Palm Beach Island is a 3.75-square-mile spit of land famous for towering ficus privacy hedges on Mediterranean-influenced architecture that begins at over \$5 million for a single-family home. But the police did their work miles across the water, in the sprawling, drab subdivisions of West Palm Beach, where, according to police reports, high-school girls had been recruited to visit Epstein's house. The 14-year-old was used to set up her 18-year-old go-between, [REDACTED]. [REDACTED] had massaged him once and thereafter refused, but had agreed to procure girls, for \$200 a head. "I'm like Heidi Fleiss," she said. The police net went wider, to malls and community colleges, and Olive Garden restaurants and trailer parks, and the story was always the same. Skinny, beautiful young girls were approached by other girls, who said they could make \$200 by massaging a wealthy man, naked. [REDACTED] said Epstein had told her the younger the better—which she said meant 18 to 20. The rules were simple. Tell him you're 18. There might be some touching; you could draw the line. "The more you do, the more you are paid." A couple of the girls said they went all the way into the experience—one told police she visited 50 times, another hundreds of times, both having sex with Epstein and [REDACTED], a then-19-year-old beauty who Epstein told one of them was his "sex slave"; he'd purchased her from her family back in Yugoslavia.

Epstein's friends' belief that he was targeted for his big life reflects the fact that the police locked onto Epstein's sybaritic lifestyle. They made careful note of the girls' thong panties, the shape and color of

the sex toys Epstein favors, and the erotic art in his home, from photos to the mural of a woman to the statue of the man with a bow. Police repeatedly pulled his trash to dig out phone messages and kept an eye on his private planes. Once, they even reported on Wexner's plane, noting the procession of Cadillac Escalades that made its way across the tarmac. After word of the investigation got back to Epstein, through his girls, police served a search warrant at the house right under the noses of New York decorator Mark Zeff and architect Douglas Schoettle, who were there planning a renovation, and seized a dozen or so photographs of naked women the girls had described as well as the penis- and vagina-shaped soaps.

Those soaps were even in guest bathrooms. No wonder; Epstein didn't see his sex life as tawdry, wasn't hiding it from his circle. Wolff believes that Epstein had created an idealized world from "a deep and basic cultural moment" once epitomized by Hugh Hefner. "Jeffrey is living a life that once might have been prized and admired and valued, but its moment has passed ... I think the culture has outgrown it. You can't describe it without being held to severe account. It's not allowed. It may be allowed if you're secretive and furtive, but Jeffrey is anything but secretive and furtive. I think it represents an achievement to Jeffrey."

Some girls who "worked" for Epstein—the term favored by the unfriendly assistant, [REDACTED], who allegedly kept the Rolodex—seem to have embraced that fantasy, too. One girl said she was "so in love with Jeff Epstein and would do anything for him." Two college girls/aspiring models were matter-of-fact about what they'd done, and surveillance reports describe a fleet of girls jogging into the house.

But generally the girls' feelings as portrayed by police interviews ranged from disgust to fear. Epstein was the hairy troll under the bridge they had to pass over to get quick money. One girl "stated she was very uncomfortable during the incident but knew it was almost over." Another kept looking at the clock, and Epstein said she was ruining his massage. Other girls said they were weirded out, grossed out. They didn't like his egg-shaped penis, definitely didn't want it inside them. Some couldn't say just what Epstein was doing because they kept their eyes averted. Two or three girls started crying when they talked to police, one hysterically. One wanted to tell the police but knew that he was "powerful" and was afraid he would come after her family. A 17-year-old model described an uncomfortable encounter in which Epstein offered to help her get jobs, then belittled her modeling portfolio before cajoling her to model the underwear he'd bought for her. A 16-year-old who needed money for Christmas said she was so upset by Epstein's removing her underwear as she massaged him that she broke off her friendship with the girl who brought her. Another called Epstein "a pervert."

Epstein clearly did not see it that way. The girls knew what they were getting into and came willingly and were well paid. He was a sexy guy who was working to give the girls pleasure. The master bedroom was a sensual place, with a mural of a naked woman and a hot-pink couch, and a wooden armoire with sex toys. The lights dimmed, music came on. Still, it is a stretch to say Epstein's love shack was like Hugh Hefner's. *Playboy* was state-of-the-art pornography for the sixties. Today, cutting-edge porn is men with bankrolls picking up young amateurs, say, high-school cheerleaders or college girls on break, and daring them to go further and further for more cash, all the way to sex toys and lesbian sex. At 52, Epstein was outside the demographic of the makeout artists of *The Bang Bros*, *Girls Gone Wild*, and *Coeds Need Cash*, but he surely saw himself in that erotic milieu, and seems to have been shocked that his activities would result in a police investigation.

His claim that he'd given a total of \$100,000 to Ballet Florida for massage was absolutely true. "The massage and therapy fund is excruciatingly important to us. It's part of a dancer's life to have daily massages," says the ballet's marketing director, Debbie Wemyss, who notes that Epstein's generosity preceded his public troubles. Police were not impressed. They interviewed a licensed deep-tissue masseuse whom Epstein frequently employed. She said she got \$100 an hour, and there were no happy

endings.

Next: Epstein mounts an aggressive counterinvestigation.

The 14-year-old told Epstein she was 18 and in the twelfth grade. In Florida, this is not a defense. The law protects the young by placing the burden on the adult to learn the truth. And while Epstein's girls might have fooled a lot of people—they were tall and grown-up—it's difficult to believe Epstein wouldn't have suspected some were underage. (Though Epstein later passed a lie-detector test saying that he believed the girls were 18.) Girls needed to be driven home or given rental cars. Offered whatever they wanted from Epstein's chef, they often gobbled cereal and milk. One 16-year-old told police that Epstein told her repeatedly not to tell anyone about their encounter or bad things could happen. Alfredo Rodriguez, a houseman, told police that at his boss's direction, he brought a pail of roses to a girl to congratulate her on her performance in a high-school drama.

"He has never been secretive about the girls," Wolff says. "At one point, when his troubles began, he was talking to me and said, 'What can I say, I like young girls.' I said, 'Maybe you should say, 'I like young women.' "

Epstein mounted an aggressive counterinvestigation. Epstein's friend Alan Dershowitz, the Harvard law professor, provided the police and the state attorney's office with a dossier on a couple of the victims gleaned from their MySpace sites—showing alcohol and drug use and lewd comments. The police complained that private investigators were harassing the family of the 14-year-old girl before she was to appear before the grand jury in spring 2006. The police said that one girl had called another to say, "Those who help [Epstein] will be compensated and those who hurt him will be dealt with."

By then, the case was politicized. The Palm Beach police had brought stacks of evidence across the waterway to the Palm Beach County state attorney's office, but the state attorney apparently saw the main witnesses as weak. One had run away from home, lied about her age, and bragged about her ass on MySpace. Another had a drug arrest and had stolen from Victoria's Secret. The police wanted numerous felony charges against Epstein as well as charges against [REDACTED] and [REDACTED]. Then they heard that the state attorney was preparing a deal with Epstein giving him five years on probation and sending him for psychiatric evaluation. The police chief, Michael Reiter, accused the state attorney of bending over backward for a rich man and then turned the matter over to the FBI.

Finally, in July 2006, the Palm Beach County state attorney's office handed down one indictment of Epstein on a felony count of soliciting prostitution. There is no reference to minors in the indictment. Reiter was enraged. He released a letter he had sent out to five underage girls that read "I do not feel that justice has been sufficiently served."

Epstein's lawyer said that Reiter was out of control, but the police chief was having an effect. The U.S. Attorney's office began an investigation, and the dream team added another member, Kenneth Starr, the former Clinton prosecutor.

One of Epstein's friends told me, "He thinks there's an anti-Semitic conspiracy against him in Palm Beach. He's convinced of that. Maybe it's a defense mechanism." Palm Beach was historically a bastion of Gentile privilege. Vanderbilt and Glendinning and Dillman and Warburton are still engraved on the public fountains, and the Everglades Club with its espaliered trees and brass plates reading private seems stuck in the time of the Gentlemen's Agreement. Yet the anti-Semitic charge disturbed Jews whom I asked about it in Palm Beach. Michael Resnick, rabbi at the oldest synagogue on the island, Temple Emanu-El (circa the sixties), says he strongly doubts that Epstein is a modern Dreyfus. "There's no way,

shape, or form that you can say that Palm Beach is a bastion with respect to religion. Individuals, yes. And there are some places that it is not an asset to be a Jew." Once Palm Beach tried to keep synagogues from opening. There are now four on the little island, including an Orthodox shul started by Slim-Fast founder Danny Abraham. José Lambiet, gossip columnist for the *Palm Beach Post*, says, "Half my sources on the island are Jewish socialites."

Lambiet says the case has fed rage within the community over Palm Beach rules: The rich never have to do time. William Kennedy Smith in 1991, Rush Limbaugh, lately Ann Coulter for a voting infraction.

Maybe it was inevitable that religion would come into the case. Peggy Siegal says Epstein's two big charitable causes are science and Israel. His Brooklyn homies Dershowitz and Rubenstein are also major Israel supporters. Dershowitz has written a book about lingering anti-Semitism in elite life. Now throw in the fact that the Palm Beach police asked at least three of the girls whether they had noticed whether Epstein was circumcised. "I asked ... if she knew what being circumcised meant," the officer stated in regard to the 14-year-old.

Of course, that might be evidence. But other details in the police narrative seem to derive more from Edgar Allan Poe's psychological tragedies than from Philip Roth's sociological comedies. Epstein is licensed in Florida to carry a concealed weapon—he has a Glock—and a shower on the first floor was given over to a gun safe. One girl said his chest was so pumped up he appeared to be on steroids. He had a Harley next to the many black Mercedeses, but his Florida license was expired. Now he was licensed in the Virgin Islands and gave his "permanent residence" as the same address as Island Yachts.

Notwithstanding the room on the first floor with floor-to-ceiling books, the general aura is cold and joyless and lonely, that of a man in his fifties denying death by giving himself over completely to the sensual life, with the help of [REDACTED]

Next: Epstein maintains he's done nothing wrong.

The police narrative has overtones of a man avoiding all connection or intimacy. For years, Epstein had had a companion in a woman who could take him on if any woman could: Ghislaine Maxwell, the daughter of Robert Maxwell, the British newspaper baron, a Jew born in Czechoslovakia, who died mysteriously off his yacht in 1991. The British tabloids say that Epstein reminded Maxwell of her father and that she brought him into a Continental world. The Broadway and movie producer Jonathan Farkas says he and his wife used to double-date with the couple. Maxwell spent time at the Palm Beach house, and the police narrative says that she even hired an assistant-cum-masseuse for Epstein. But that was five years ago, and the girl was 23, at a local college. Maxwell never showed up in all the surveillance, only her stationery.

Epstein's activities seem to have devolved in recent years. Juan Alessi, his longtime houseman, told police that toward the end of his employment, the girls were "younger and younger," and he often had to wash off vibrators and "a long rubber penis" left in the sink. The next houseman, Alfredo Rodriguez, said that he found the sex toys he had to wash "scattered on the floor."

No need to worry about dirty laundry, if there's someone to do it.

The U.S. attorney's investigation put Epstein in a bind. If the Feds brought a case and he lost, he would be imprisoned for a mandatory minimum ten-year sentence. Given the choice, it appears that Epstein will not gamble on a trial but make a deal with the state attorney on the prostitution charge.

Not that he is likely to admit that he did anything wrong. Throughout his ordeal, Epstein maintained the air that there was nothing sordid about his actions. His wealth seems to have endowed him with utter shamelessness, the emperor's new clothes with an erection. Even Alan Greenspan has lately raised the moral questions brought on by the gap between the rich and poor: The poor will begin to feel that the social contract was not made in good faith. Epstein's friends say that on this matter, he has a philosophical position.

"Fundamentally," Wolff says, "it's about math. That on a macro level it inevitably happens that the rich get richer. And then at some level the rich get richer on a geometric basis. Jeffrey's point is that this whole issue is—it's just mathematics at this point. This is the nature of a successful economy. The more successful the economy is, and that would be the goal of everybody, a successful economy, the greater the discrepancy actually is."

There is no better place to observe how Epstein's mathematics work than Palm Beach. The only signs of life are crews of Spanish-speaking laborers on teetering ladders clipping the high hedges, not far from Bulgari and Valentino and Tiffany. It is a few miles on the other side of the bridge to where the girls came from, the shabby sprawl of West Palm Beach, with trailer parks, boys crouched on motor scooters, and pickup trucks under sun tents. [REDACTED] house is on an unpaved road by an irrigation ditch. An attractive blonde in her forties answers the door wearing pistachio Capri pants, and promptly slams it. "We have absolutely no comment about the Epstein case."

Driving home with their \$500, [REDACTED] said to the 14-year-old that if they did this every Saturday they'd be rich, and it's understandable that a teenager in West Palm Beach might feel that way. The coldest stories in the police narrative are about money and service. Maria Alessi, the previous houseman's wife, said she had cleaned house and shopped for Epstein for eight years and never had a direct conversation with him. He made it clear that he did "not want to encounter the Alessis during his stay in Palm Beach." One girl said that when she had sex with Epstein she closed her eyes and thought about cash. "In my mind, I'm like, 'Oh my God, when this is over you're getting so much money.'"

Josè Lambiet says the case went forward in Palm Beach despite the efforts of the dream team because of community rage arising from the class issues in the case—Epstein found the girls not from his own fancy neighborhood but from the struggling suburbs.

He has never shown a glimmer of understanding that a high-school girl could be damaged by a powerful 50-year-old's demands, or that some of the girls were already emotionally damaged. For someone who could dream anything, it seems a little small.

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DATABASES(S) - CTA

1. **P** U.S. **McIver**, 186 F.3d 1119, 1999 WL 587573, 99 Cal. Daily Op. Serv. 6304, 99 Cal. Daily Op. Serv. 6425, 1999 Daily Journal D.A.R. 8052, , C.A.9 (Mont.), August 06, 1999(Nos. 98-30145, 98-30146.98-3014698-30145)  
  
...held that: (1) placement of motion-activated cameras near marijuana plants in national forest without search warrant did not violate **Fourth Amendment**; (2) as matter of first impression, placement of magnetic electronic tracking device on undercarriage of vehicle did not violate **Fourth Amendment**; (3) officers had probable cause to search vehicle; (4) convictions were supported by sufficient evidence; (5) District Court did not ...  
  
...to obtain photographs of defendants visiting and harvesting marijuana plants, did not violate defendant's reasonable expectation of privacy protected by **Fourth Amendment**; it was beyond dispute that Forest Service could have stationed officers to conduct surveillance of plants, visual observation of site ...  
  
...to the public which may be viewed by any passing visitor or law enforcement officer are not protected by the **Fourth Amendment** because there can be no reasonable expectation of privacy under such circumstances. U.S.C.A. Const.Amend. 4 [6] 349 Searches and Seizures...
2. **H** U.S. **Remsing**, 874 F.2d 817, 1989 WL 41686, Unpublished Disposition, C.A.9 (Alaska), April 20, 1989(No. 88-3130.88-3130)  
  
...with Remsing. On May 15, ground surveillance at the airstrip observed Remsing and three male companions depart in Remsing's two **airplanes**. The electronic **tracking devices** enabled officers to follow the aircraft to the Noatak National Preserve. A subsequent ground search yielded physical evidence of a ...  
  
...evidence to coerce the coconspirators into testifying. The exclusionary rule bars the use of evidence obtained in violation of the **fourth amendment** in a criminal trial against the victim of the illegal search and seizure. Weeks **United States**, 232 U.S. 383...
3. **C** U.S. **Alonso**, 790 F.2d 1489, , C.A.10 (Utah), May 16, 1986(No. 84-1082.84-1082)  
  
...Object 349 164 k. Particular Concrete Applications. Defendant lacked privacy interest in the plane and thus lacked standing to assert **Fourth Amendment** violation based on installation of transponder in airplane, and its failure to be removed after its order had expired. U.S.C.A. ...  
  
...In General 349 25 Persons, Places and Things Protected 349 26 k. Expectation of Privacy. Focus in determining whether one's **Fourth Amendment** right to be free of unreasonable search and seizure has been violated is whether that person has reasonable or justifiable ...  
  
...Concerned; Consent. (Formerly 372k495 Government's tracking of airplane, in which transponder had been installed, did not violate any of defendant's **Fourth Amendment** rights, since defendant had no reasonable expectation of privacy in the movement of the airplane in public airways. U.S.C.A. Const.Amend...

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DATABASES(S) - CTA

4. ■ U.S. ■. Amuny, 767 F.2d 1113, , C.A.5 (Tex.), July 29, 1985(No. 84-2376.84-2376)

...of plane; and (9) government agent's conduct in climbing plane and peering in windshield constituted unreasonable search within meaning of **Fourth Amendment**. Affirmed in part, reversed in part and remanded. Robert Madden Hill, Circuit Judge, filed special concurring opinion. West Headnotes [1 ...

...for Stop or Investigation 35 63 5(4) k. Reasonableness; Reasonable or Founded Suspicion, Etc. Law enforcement officers may, consistent with **Fourth Amendment**, stop person and detain him briefly for routine questioning when they have reasonable suspicion to believe that person may be ...

...Effect of Illegal Conduct; Trespass 349 80 1 k. In General. (Formerly 349k80 349k7(10) Although trespass does not always result in **Fourth Amendment** violation, government's trespass is usually unreasonable and violative of legitimate expectation of privacy. U.S.C.A. Const.Amend. 4 [18] 48B Aviation 48Bl...

5. ▷ U.S. ■. Little, 735 F.2d 1049, , C.A.8 (Ark.), May 22, 1984(Nos. 82-1591, 82-1592, 82-1593.82-159182-159282-1593)

...k. Reliability or Credibility; Corroboration. (Formerly 372k515 372 Telecommunications 372X Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C) **Tracking Devices** 372 1487 k. Warrants or Judicial Authorization. (Formerly 372k541 Search warrant affidavit was insufficient and magistrate's order authorizing installation of transponder in **airplane** was therefore invalid where affidavit recited bits of information attributed to "confidential informants" but affiant did not add the conclusory ...

...States Magistrate in Memphis, Tennessee, an order allowing him to install a transponder on the plane. A transponder is a **tracking device**, also called a beeper. Before the beeper was installed, a government agent approached Scott Whitney, a service administrator of Memphis ...

...the hangar. Later that day, the transponder was installed on the plane. The operation involved detaching a panel inside the **airplane**, secreting the beeper behind it, and then replacing the panel. On June 8, 1981, Harmon, Sager, and Fulbright left for...

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DATABASES(S) - CTA

6. H U.S. **J.** Butts, 729 F.2d 1514, , C.A.5 (Tex.), April 23, 1984(No. 82-1260.82-1260)

...customs officials of signal that disclosed presence of aircraft in public airspace was not unconstitutional search or seizure under the **Fourth Amendment** because terms of warrant authorizing signalling device required it to be removed before its signal was recorded. Reversed and remanded ...

...officials' monitoring of signal that disclosed presence of aircraft in public airspace was not unconstitutional search or seizure under the **Fourth Amendment** because terms of warrant authorizing signalling device required it to be removed before its signal was recorded. U.S.C.A. Const.Amend. 4 [2] 372 Telecommunications 372X Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C) **Tracking Devices** 372 1486 k. Transponders or "Beepers" in General; Warrantless Proceedings. (Formerly 372k540 349k7(10) Monitoring signals from electronic **tracking device** that tells officers no more than that specific aircraft is flying in public airspace does not violate any reasonable expectation of privacy and thus no **Fourth Amendment** violation results from public detection; movement of **airplane** in sky, like that of automobile on highway, is not something in which person can claim reasonable expectation of privacy ...

...General. Purpose of exclusionary rule is to deter improper police conduct that violates person's reasonable expectation of privacy under the **Fourth Amendment**, and rule does not purport to reach all illegal conduct by officers. U.S.C.A. Const.Amend. 4 [4] 372 Telecommunications 372X Interception...

7. P U.S. **J.** Butts, 710 F.2d 1139, , C.A.5 (Tex.), August 01, 1983(No. 82-1260.82-1260)

...Circuit Judge, held that: (1) physical attachment of electronic "beeper" to interior of aircraft constituted a "search" within meaning of **Fourth Amendment**, and (2) where beeper installed inside aircraft pursuant to valid search warrant remained present in aircraft after expiration of court ...

...of electronic tracking device in the interior of a vehicle or conveyance is a "search" within the meaning of the **Fourth Amendment**. U.S.C.A. Const.Amend. 4 [2] 349 Searches and Seizures 349I In General 349 13 What Constitutes Search or Seizure 349 21 ...

...Devices or "Beepers.". (Formerly 349k1 Physical attachment of electronic "beeper" to interior of aircraft constituted a "search" within meaning of **Fourth Amendment**. U.S.C.A. Const.Amend. 4 [3] 372 Telecommunications 372X Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(B) Authorization by Courts...

8. P U.S. **J.** Stewart, 700 F.2d 702, , C.A.11 (Fla.), March 18, 1983(No. 81-607081-6070)

...L.Ed.2d 408 (1965) (deliberate choice by counsel to delay objection to tainted evidence may waive defendant's rights under the **fourth amendment**); Winters **J.** Cook, 489 F.2d 174 (5th Cir.1973) (intentional strategic waiver by counsel of defendant's right to object ...

...Appellants attempted to prove that the detection of their aircraft was made possible by an electronic device attached to their **airplane** as part of an ongoing investigation by the Customs Department. This was rejected by the district court as without merit ...

...presented absolutely no evidence supporting their allegations that their apprehension was due to the use of an illegally placed electronic **tracking device**, that the Coast Guard had probable cause to arrest in time to obtain a warrant or that they were forced...

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DATABASES(S) - CTA

9. ▷ U.S. █ Parks, 684 F.2d 1078, , C.A.5 (Tex.), August 20, 1982(No. 79-5497.79-5497)

...to distribute, and they appealed. The Court of Appeals, Garwood, Circuit Judge, held that defendants failed to establish that their **Fourth Amendment** rights were violated by installation, maintenance or monitoring of electronic transponder inside airplane. Affirmed. West Headnotes [1] 349 Searches and ...

...only plane and he was never on it, installation, maintenance and monitoring of beeper invaded no interest of defendant that **Fourth Amendment** was designed to protect. U.S.C.A.Const.Amend. 4 [3] 349 Searches and Seizures 349IV Standing to Object 349 164 k. Particular Concrete ...

...marihuana to landing site, prior entry into plane by government agents and installation of electronic transponder did not infringe defendant's **Fourth Amendment** rights. U.S.C.A.Const.Amend. 4 [4] 349 Searches and Seizures 349IV Standing to Object 349 164 k. Particular Concrete Applications. (Formerly 349k7(26)...

10. C U.S. █ Long, 674 F.2d 848, 10 Fed. R. Evid. Serv. 438, , C.A.11 (Ala.), April 30, 1982(No. 81-7290.81-7290)

...the transponder in defendant's airplane and monitoring of the device for 90 days, was reasonable and did not violate the **Fourth Amendment**; (2) magistrate's finding that probable cause existed to issue the order authorizing installation of the transponder in defendant's airplane was ...

...assistance of counsel. Affirmed. West Headnotes [1] 372 Telecommunications 372X Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C) **Tracking Devices** 372 1487 k. Warrants or Judicial Authorization. (Formerly 372k541 349k7(10) Operating transponder for one week under court order, which authorized installation of the transponder in defendant's airplane and monitoring of the device for 90 days, was reasonable and not in violation of the **Fourth Amendment**. U.S.C.A.Const.Amend. 4 [2] 349 Searches and Seizures 349VI Judicial Review or Determination 349 200 k. Scope of Inquiry or Review ...

11. C U.S. █ Dickerson, 655 F.2d 559, , C.A.4 (Va.), July 30, 1981(No. 80-5210.80-5210)

...arose that defendant did not have a legitimate expectation of privacy in the aircraft to entitle him to raise a **Fourth Amendment** objection to its search. Affirmed. West Headnotes [1] 349 Searches and Seizures 349VI Judicial Review or Determination 349 192 Presumptions ...

...proof was on defendant to establish a legitimate expectation of privacy in aircraft that would entitle him to raise a **Fourth Amendment** objection to its search. U.S.C.A.Const. Amend. 4 [2] 349 Searches and Seizures 349IV Standing to Object 349 161 k. In General. (Formerly 349k7(26) Only an owner of property may raise a **Fourth Amendment** objection to its search. U.S.C.A.Const. Amend. 4 [3] 349 Searches and Seizures 349IV Standing to Object 349 161 k. In General. (Formerly 349k7(26) A person who is unlawfully in possession of an aircraft has no right to raise a **Fourth Amendment** objection to its search. U.S.C.A.Const. Amend. 4 [4] 349 Searches and Seizures 349IV Standing to Object 349 164 k. Particular ...

...arose that defendant did not have a legitimate expectation of privacy in the aircraft to entitle him to raise a **Fourth Amendment** objection to its search. U.S.C.A.Const. Amend. 4 [5] 410 Witnesses 410III Examination 410III(D) Privilege of Witness 410 299 Privilege...

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DATABASES(S) - CTA

12. H U.S. █ Chavez, 603 F.2d 143, , C.A.10 (N.M.), August 02, 1979(Nos. 78-1128, 78-1129,78-112978-1128)

...k. In General. (Formerly 372k514.1 372k514 349k3.6(1) 372 Telecommunications 372X  
Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C)  
**Tracking Devices** 372 1487 k. Warrants or Judicial Authorization. (Formerly 372k541  
349k3.6(1) Court orders, authorizing the use of a beeper for surveillance ...

...officer or an attorney for the government"; and the fact that the federal authorities participated in  
the tracking of the **airplanes** did not affect the validity of the state court orders previously issued.  
[4] 110 Criminal Law 110XVII Evidence 110XVII(I ...

...trial the defendants filed a motion to suppress on the ground that the installation and use of the  
beeper violated **Fourth Amendment** rights. After an evidentiary hearing, the trial court denied the  
motion to suppress. This ruling is the only matter urged...

13. H U.S. █ Nelson, 593 F.2d 543, , C.A.3 (Pa.), March 08, 1979(No. 78-1587,78-1587)

...of this appeal is whether six tons of marijuana seized at the Mount Pocono Airport in  
Pennsylvania from a private **airplane** should have been suppressed as evidence. Appellant  
contends that the evidence was illegally seized because United States Customs Service agents,  
acting without a warrant, installed in the plane a locational **tracking device** called a "transponder,"  
which they used to monitor the plane's route. While the district court held the use of the ...

...1] [2] For purposes of this appeal, the court will assume, without deciding, that appellant has  
standing to raise these **fourth amendment** claims. [FN1] It is well settled that the taint on  
evidence obtained as a result of an illegal search and ...

...58 L.Ed.2d 118 (1978) Even assuming, without deciding, that the installation and/or monitoring  
of the airplane violated appellant's **fourth amendment** rights, the marijuana to which appellant  
objects was seized by the use of information " 'sufficiently distinguishable to be purged of..."

14. P U.S. █ Bruneau, 594 F.2d 1190, 57 A.L.R. Fed. 632, , C.A.8 (Minn.), March 01, 1979(Nos.  
78-1526, 78-1550,78-155078-1526)

...transponder, commonly known as a beeper device, to track an aircraft in public airspace did not  
constitute a "search" within **Fourth Amendment**; (2) even if Government had a duty to disclose  
informants' identity to defendant prior to trial, defendant was not materially ...

...papers. U.S.C.A.Const. Amend. 4 [2] 96H Controlled Substances 96HIV Searches and Seizures  
96HIV(B) Search Without Warrant 96H 118 k. **Airplanes** and Airports. (Formerly 138k183.5  
138k182 Drugs and Narcotics) 372 Telecommunications 372X Interception or Disclosure of  
Electronic Communications; Electronic Surveillance 372X(C) **Tracking Devices** 372 1486 k.  
Transponders or "Beepers" in General; Warrantless Proceedings. (Formerly 372k540 349k7(10)  
Although the installation or attachment of a beeper device to **airplane** could potentially violate  
**Fourth Amendment**, no **Fourth Amendment** rights were violated by installation by Drug  
Enforcement Agency agents who had installed the transponder, commonly known as a beeper ...

...Searches and Seizures 349I In General 349 13 What Constitutes Search or Seizure 349 21 k.  
Use of Electronic Devices; **Tracking Devices** or "Beepers.". (Formerly 349k7(10) No one flying  
an **airplane** can reasonably expect that he has a right to keep his flying, landing, or takeoff location  
private, and thus the...

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DATABASES(S) - CTA

15. ➤ U.S. v. Clayborne, 584 F.2d 346, , C.A.10 (Colo.), August 22, 1978(Nos. 77-1568,  
77-1570.77-156877-1570)

...of ether, which resulted in location of laboratory where controlled substance was produced, was not per se violation of the **Fourth Amendment**, and (2) where trial court continued with trial in one defendant's absence, but upon discovery that absence was involuntary, mistrial ...

...based on warrantless use of device. [2] 372 Telecommunications 372X Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C) **Tracking Devices** 372 1486 k. Transponders or "Beepers" in General; Warrantless Proceedings. (Formerly 372k540 349k7(10) Where agents, who lost contact with electronic **tracking device** that had been attached to container of ether after its movement from one defendant's house, had to use **airplane** to pick up beeper signal and locate clandestine laboratory, which was located in commercial building with windows covered to protect ...

...against viewing of materials inside, slight intrusion resulting from use of device was not per se in violation of the **Fourth Amendment** and its warrantless use by agents was therefore not invalid. U.S.C.A.Const. Amend. 4 [3] 135H Double Jeopardy 135HIV Effect of...

16. ➤ U.S. v. Dubrofsky, 581 F.2d 208, , C.A.9 (Cal.), August 09, 1978(No. 77-3738.77-3738)

...device emanating beeping signals allowing tracing of package and emanating different beeping signals if package was opened did not violate **Fourth Amendment**; (2) permanent resident of house had authority to consent to search of basement of house; (3) special agent's affidavit was ...

...package of electronic surveillance device after heroin had been discovered in package during lawful customs search did not violate any **Fourth Amendment** right. U.S.C.A.Const. Amend. 4 [5] 96H Controlled Substances 96HIV Searches and Seizures 96HIV(B) Search Without Warrant 96H 107 Carriers ...

...signals allowing package to be traced and changing beeping tones if package was opened, which device was attached without violating **Fourth Amendment**, did not sufficiently resemble wiretap so as to require antecedent justification that warrant would provide and thus did not violate **Fourth Amendment**. U.S.C.A.Const. Amend. 4 [6] 110 Criminal Law 110XXIV Review 110XXIV(O) Questions of Fact and Findings 110 1158 In General...

17. ➤ U.S. v. Miroyan, 577 F.2d 489, , C.A.9 (Cal.), May 01, 1978(Nos. 77-1125 and 77-1367.77-112577-1367)

...transponder merely to monitor the location of aircraft as it passed through public airspace was not a "search" subject to **Fourth Amendment** strictures, (2) installation of transponder, performed with consent of aircraft owner and while the plane was within his dominion, did not violate the **Fourth Amendment** rights of defendants, who flew the rented aircraft to Mexico, (3) officer who effected arrest of defendant in motel had ...

...transponder merely to monitor the location of aircraft as it passed through public airspace was not a "search" subject to **Fourth Amendment** strictures. U.S.C.A.Const. Amend. 4 [2] 372 Telecommunications 372X Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C) **Tracking Devices** ...

...of transponder, performed with consent of aircraft owner and while the plane was within his dominion, did not violate the **Fourth Amendment** rights of defendants, who flew the rented aircraft to Mexico. U.S.C.A.Const. Amend. 4 [3] 35 Arrest 35II On Criminal Charges...

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QUERY - ((TRACKER "TRACKING  
DEVICE") /P AIRPLANE) & "FOURTH  
AMENDMENT"

DATABASES(S) - CTA

18. ➤ U.S. ■. Cheshire, 569 F.2d 887, , C.A.5 (Tex.), March 16, 1978(No. 77-5313.77-5313)

...beeper without a warrant. Affirmed. West Headnotes 372 Telecommunications 372X  
Interception or Disclosure of Electronic Communications; Electronic Surveillance 372X(C)  
**Tracking Devices** 372 1486 k. Transponders or "Beepers" in General; Warrantless Proceedings.  
(Formerly 372k540 349k7(27) Assuming that use of electronic beeper to follow path of **airplane**  
rented and flown by defendant was a search, consent of the owners of the plane came within  
third-party consent ...

...follow the path of an airplane flown by appellant was a search, and that the search was invalid  
under the **fourth amendment** because of the failure to obtain a warrant before placing the beeper  
on the airplane; (2) consent by the plane's ...

...the lessee consented to the attachment of the beeper. Appellant first contends that the use of the  
beeper constituted a **fourth amendment** search. This issue has not been conclusively resolved in  
this Circuit, having been previously addressed in United States ■. Holmes...

19. ➤ U.S. ■. Curtis, 562 F.2d 1153, , C.A.9 (Ariz.), October 12, 1977(Nos. 77-2070, 77-2071, 77-2235  
and 77-2107.77-207077-207177-210777-2235)

...of Appeals, Ely, Circuit Judge, held that where officers had been given reliable information, based  
on articulable facts, that an **airplane** was being utilized in pursuit of criminal activity by a specific,  
identifiable individual, who had made arrangements to rent the plane, it was proper for the owner to  
arrange for installation, by customs officials, of a transponder, an electric **tracking device**,  
although, in the ordinary case, secret surveillance devices in vehicles should be installed pursuant to  
court order under such reasonable ...

...3] 114 Customs Duties 114XV Violations of Customs Laws 114 126 Searches and Seizures 114  
126(7) k. Airports and **Airplanes**. (Formerly 114k126 Where officers had been given reliable  
information, based on articulable facts, that **airplane** was being utilized in pursuit of criminal  
activity by specific, identifiable individual, who had made arrangements to rent the plane, it was  
proper for owner to arrange for installation, by customs officials, of transponder, an electric  
**tracking device**, although, in ordinary case, secret surveillance devices in vehicles should be  
installed pursuant to court order under such reasonable time ...

...Navajo aircraft, and the introduction of evidence derived from the use of the transponder,  
constituted an infringement of the appellants' **Fourth Amendment** rights. (2) That arresting officers  
did not have probable cause to stop and search a vehicle being driven by the...

QUERY - ((TRACKER "TRACKING  
DEVICE") /P AIRPLANE) & "FOURTH  
AMENDMENT"

DATABASES(S) - CTA

20. ➤ U.S. █ Worthington, 544 F.2d 1275, , C.A.5 (Tex.), January 10, 1977(No. 76-1586.76-1586)

...that it contained boxes marked "Cessna Aircraft Parts" in place of the rear seats. He and Agent Morrison kept the **airplane** under surveillance and were soon joined by two Customs agents. In the early morning hours of April 28, 1974, an electronic **tracking device** ("beeper") was placed on Worthington's aircraft by the Customs agents to assist in the surveillance. Later that morning the agents ...

...any evidence derived from the arrest and the ensuing search should have been suppressed as seized in violation of his **Fourth Amendment** rights. He places the time of arrest at the moment the Customs plane was taxied in front of appellant's aircraft ...

...in their restriction of personal autonomy to permit the extraordinary measure of departing from the probable cause requirement of the **fourth amendment** and those seizures that must predicated upon that traditional protective standard. Because I find that the dramatic accosting of appellant...

21. █ U.S. █ Pretzinger, 542 F.2d 517, , C.A.9 (Ariz.), September 17, 1976(Nos. 76-1589, 76-1655.76-165576-1589)

...of privacy and does not constitute search and thus, no warrant is needed to justify installation of electronic beeper unless **Fourth Amendment** rights necessarily would have to be violated in order to initially install device. U.S.C.A.Const. Amend. 4 [3] 349 Searches and Seizures 349I In General 349 13 What Constitutes Search or Seizure 349 21 k. Use of Electronic Devices; **Tracking Devices** or "Beepers." (Formerly 349k1 Attachment of electronic location device to **airplane** did not infringe upon any reasonable expectation of privacy and did not constitute search. U.S.C.A.Const. Amend. 4 [4] 372 Telecommunications ...

...banc 537 F.2d 227 (5th Cir.) Consequently, no warrant is needed to justify installation of an electronic beeper unless **fourth amendment** rights necessarily would have to be violated in order to initially install the device. See United States █ Hufford, supra...

22. ➤ U.S. █ Epperson, 454 F.2d 769, , C.A.4 (Va.), February 07, 1972(No. 71-1481.71-1481)

...Defendant appealed. The Court of Appeals, Craven, Circuit Judge, held that exposure of airplane passengers to magnetometer constituted "search" within **Fourth Amendment** but was not unreasonable in view of threat of air piracy notwithstanding that no warrant had been obtained; and that ...

...Searches and Seizures 349I In General 349 13 What Constitutes Search or Seizure 349 21 k. Use of Electronic Devices; **Tracking Devices** or "Beepers." (Formerly 349k1 349 Searches and Seizures 349I In General 349 72 k. Airport and Boarding Searches. (Formerly 349k7(24) Exposure of **airplane** passengers to magnetometer constituted "search" within **Fourth Amendment** but was not unreasonable in view of threat of air piracy notwithstanding that no warrant had been obtained. Federal Aviation ...

...149 U.S.C.A. § 1472(1 U.S.C.A.Const. Amend. 4 [2] 349 Searches and Seizures 349I In General 349 23 k. **Fourth Amendment** and Reasonableness in General. (Formerly 349k7(1) Reasonableness of any search must be determined by balancing governmental interest in search and...

zation in original). The district court expressed concern with this provision because 11 U.S.C. § 1322(c) states that a chapter 13 plan "may not provide for payments over a period that is longer than three years, unless the court, for cause, approves a longer period, but the court may not approve a period that is longer than five years." Obviously, it will take Saylor several years to pay off the entire mortgage debt at the regular monthly rate. We interpret the provision at issue, however, simply as the bankruptcy court's effort to ensure that Jim Walter is treated fairly by the confirmed plan; Saylor can cure the mortgage arrearage through a chapter 13 extension plan only if he also keeps his regular mortgage payments current. Consequently, the confirmed plan's requirement that Saylor must make his regular monthly mortgage payments terminates when the arrearage is satisfied.<sup>4</sup>

### III. CONCLUSION

The decision of the district court is reversed and the order of the bankruptcy court confirming Saylor's chapter 13 plan is reinstated.

REVERSED.



UNITED STATES of America,  
Plaintiff-Appellant,

Jerry Lee HARVEY,  
Defendant-Appellee.

No. 87-5051.

United States Court of Appeals,  
Eleventh Circuit.

April 14, 1989.

Order dismissing indictment charging  
defendant with tax evasion and filing false

4. This statement, of course, only applies to what is required of Saylor by the confirmation order of the bankruptcy court. If all goes well and Saylor satisfies the arrearage while maintaining his monthly mortgage payments, he proba-

income tax returns with respect to interest income from funds deposited in Cayman Islands account was entered in the United States District Court for the Southern District of Florida, No. 85-06204, James C. Paine, J., 651 F.Supp. 894, and Government appealed. The Court of Appeals, 848 F.2d 1547, affirmed. Subsequently, the Court of Appeals, 855 F.2d 1492, agreed to rehear the case en banc and vacated prior panel opinion. Upon rehearing en banc, the Court of Appeals, Kravitch, Circuit Judge, held that grant of transactional immunity Government extended to defendant in connection with drug investigation did not prohibit prosecution for tax violations allegedly committed in years following grant of immunity.

Reversed and remanded.

Clark, Circuit Judge, filed dissenting opinion in which Hatchett, Circuit Judge, joined.

Hatchett, Circuit Judge, filed dissenting opinion.

#### 1. Constitutional Law ⇐265.5

Due process requires Government to adhere to terms of any plea bargain or immunity agreement it makes. U.S.C.A. Const.Amend. 5.

#### 2. Criminal Law ⇐42

Although federal law no longer provides for formal statutory grants of transactional immunity, prosecutor may informally grant transactional immunity to witness in return for cooperation in criminal case. 18 U.S.C.A. §§ 6001-6005.

#### 3. Criminal Law ⇐42

"Use immunity" prohibits use of compelled testimony, or any evidence derived directly or indirectly from that testimony, against witness in criminal prosecution.

See publication Words and Phrases for other judicial constructions and definitions.

bly will find himself in the position of any non-bankrupt nonrecourse debtor. He will be required by state law to continue making his mortgage payments until the entire debt is satisfied or risk losing his home.

## 4. Criminal Law §42

Use immunity does not prohibit Government from prosecuting witness for crimes about which he testified, provided Government proves that it has other evidence to support prosecution that is derived from legitimate source wholly independent of compelled testimony.

## 5. Criminal Law §42

When defendant has demonstrated that he has testified under grant of use immunity, burden shifts to prosecution which then has affirmative duty to prove that evidence it proposes to use is derived from legitimate source wholly independent of testimony given under grant of immunity.

## 6. Criminal Law §42

Informal transactional immunity defendant received in connection with disclosure of his illegal activities in drug trade did not prohibit Government from prosecuting defendant for tax violations committed after grant of immunity, even though tax violations related to money derived from drug trade.

## 7. Criminal Law §42

Purpose of grant of transactional or use immunity is to preclude witness' reliance on his Fifth Amendment privilege against compelled self-incrimination: Government may compel witness to testify by granting him immunity, provided that scope of immunity is as least as great as that of Fifth Amendment privilege that witness must forego. U.S.C.A. Const.Amend. 5.

## 8. Criminal Law §393(1)

In general, privilege against self-incrimination only prohibits compelled testimony that might incriminate witness for crimes he had already committed, or was in process of committing, at time testimony was given. U.S.C.A. Const.Amend. 5.

Roger M. Olsen, Atty. Gen., Michael L. Paup, Chief, Robert E. Lindsey, Alan Hechtkopf, Appellate Section, Tax Division, U.S. Dept. of Justice, Washington, D.C., for plaintiff-appellant.

Leonard Alan Sands, Coconut Grove, Fla., for defendant-appellee.

Appeal from the United States District Court for the Southern District of Florida.

Before RONEY, Chief Judge, TJOFLAT, HILL, FAY, VANCE, KRAVITCH, JOHNSON, HATCHETT, ANDERSON, CLARK, EDMONDSON, and COX, Circuit Judges.

KRAVITCH, Circuit Judge:

Appellee Jerry Lee Harvey disclosed his illegal activities in the drug trade to Drug Enforcement Administration agents under an unwritten informal grant of immunity in 1980. Four years later a grand jury indicted Harvey for failing to report the interest income earned on the proceeds of those drug-related activities in the years leading up to and following the 1980 grant of immunity. Harvey moved to dismiss the indictment, arguing that the 1980 informal grant of immunity protected him from prosecution. The district court, upon the recommendation of the magistrate, agreed and dismissed the indictment with prejudice. *United States v. Harvey*, 651 F.Supp. 894 (S.D.Fla.1986). The government appealed the dismissal of those counts that charged violations for the years following the grant of immunity. A divided panel of this court affirmed. 848 F.2d 1547 (11th Cir.1988). We determined to rehear this case in banc and vacated the panel opinion. 855 F.2d 1492 (11th Cir. 1988). We now REVERSE the order of the district court dismissing those counts of the indictment that relate to offenses allegedly committed after the grant of immunity to Harvey.

## I. THE FACTS

On November 27, 1985 a grand jury in the Southern District of Florida returned an indictment charging Harvey with five counts of income tax evasion for the years 1978 through 1982, in violation of 26 U.S.C.



## Palm Beach billionaire faces second sex-assault lawsuit

Sun-Sentinel.com

Billionaire and part-time Palm Beach resident Jeffrey Epstein was sued for the second time in less than two weeks Wednesday, this time by another teenager who claims she was sexually abused at his mansion.

Jeffrey Herman, the teen's attorney, is planning a news conference in West Palm Beach this afternoon to discuss the allegations.

The lawsuit alleges that Epstein has a sexual preference and "obsession for underage minor girls" and sought to gain access to economically disadvantaged younger girls in his home for paid massages.

When the first lawsuit was filed Epstein's attorneys said Epstein never had sex with the girl, who was 14 at the time, and that the lawsuit was motivated by greed.

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